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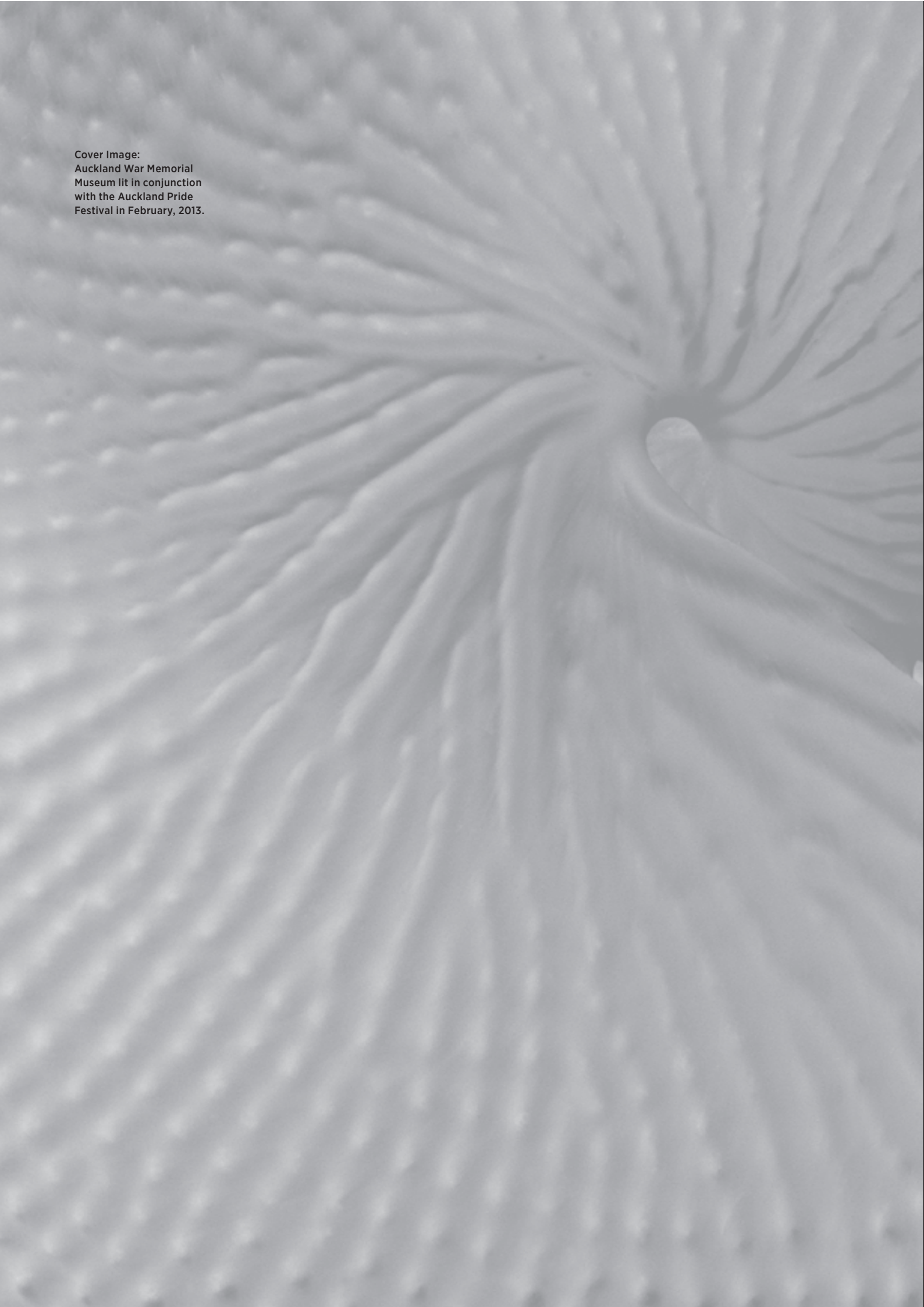
# Annual Report 2012/2013



TAMAKI PAENGA HIRA  
AUCKLAND WAR MEMORIAL MUSEUM



Cover Image:  
Auckland War Memorial  
Museum lit in conjunction  
with the Auckland Pride  
Festival in February, 2013.



## Year in Review

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# Year in Review

2023

2022

2021

2020

2019

2018

2017

2016

2015

2014

2013

2012

2011

2010

2009

2008

2007

2006

2005

2004

2003

2002

2001

2000

1999

1998

1997

1996

1995



# Sharing our highlights 2012/2013

## A compelling place to visit today

### High numbers onsite

**847,000**

people visited Auckland Museum

### Visitor satisfaction

**98%**

rated their visit 'good' or 'excellent'

### More Aucklanders

**17%**

increase in onsite visitation by  
adult Aucklanders on past year

### Online endorsement

**4.5**

stars out of 5 on TripAdvisor website

### Hillary magic

**60th**

anniversary of Everest climb and  
Sir Ed's enduring legacy marked

### Tour group boost

**22%**

increase in tour group visitation  
on past year

### Domain partnership

**50,000**

enthralled by AK13 Festival show  
with pyrotechnics and projections  
on the museum's west wall

## Connected to our communities

### Online appeal

**573,000**

unique visits to museum websites

### Collection expertise

**162**

presentations, lectures and tours  
by curators and research associates

### Volunteer generosity

**275**

skilled, passionate volunteers  
deliver 25,000 hours

### Sought-after venues

**24%**

increase in commercial venue  
hire revenue on past year

## Web growth

# 4.7 million

page views on the museum's website, online database and blog

A place of innovation, discovery, learning & research

## Inspiring discoveries

# 41,500

online visits by formal learners

## Trialling new technology

# 1st

iTunes APP launched by Auckland Museum: a marine field guide

## Enquiries answered

# 3,500+

research responses to public and professional colleagues

## Policy announcement venue

# 10

National Science Challenges launched at the museum by Prime Minister John Key

## A leader in Auckland

## Youth engagement

# 1st place

for *UrbanLife* project in Museums Aotearoa awards category

## Environmental impact

# 31%

cut in carbon emissions past 2 years

## Strategic focus

# 20 year

*Future Museum* strategy published as e-book

## Environmental excellence

# 1st

win for Auckland Museum in NZ Government's prestigious Green Ribbon environmental awards

## Economic sustainability

# 19.4%

of total income is self-generated

## A place for taonga and commemoration

## Public engagement

# 10,000

at ANZAC Dawn Service and 7,000 came into the museum

## Royal visitors

# 1,000

join TRH The Prince of Wales and the Duchess of Cornwall at Armistice Day Service

## Acquisition secured

# 110

years on, the historic Seuffert desk confirmed to return to Auckland from the UK

## Special events marked

# 65th

anniversary service for US Memorial Day

## Digital accessibility

# 21,040

collection images uploaded to the museum's websites

## Research expedition

# 40,500

page views of the Three Kings research expedition blog

# Board Chairman, Taumata-ā-Iwi Chairman & Director's Report



## Whakamana nga taonga Tukuna iho hei whakataki I nga ra ki muri

### Honouring the past Embracing the present Guiding our future

In our 2012/2013 Annual Plan we said we would build on strong foundations. We set goals to reach ‘beyond the walls’, to make the museum more accessible and to connect with as many Aucklanders as possible: *“We want our work to touch many; our leadership to influence much, and our capacity to reach as far as our imagination.”*

We were true to those commitments. After a year of milestones and achievements we are pleased to present our Annual Report 2012/2013.

The December publication of the 20-year strategic vision *Future Museum* was a highlight. Many people helped to create it, with consultation right across the city. It embraces He Kōrahi Māori – a Māori dimension – and heralds an exciting era for Tamaki Paenga Hira as we strive to serve the people of Tamaki Makaurau. Aligned with the Auckland Plan, the framework honours the collections and sets out the specific ways we are developing the range, scope and pace of programmes and resources for the public. We remain committed to the principle of free admission for Aucklanders and we aim to sustain excellent experiences for all.

*Future Museum* is guided by three principles: mana whenua, manaakitanga and kaitiakitanga. The museum’s presence online is being enriched, our relationships offsite are being extended and our welcome onsite is evidently appreciated by Aucklanders and by visitors from across New Zealand and the world. Visitation from Auckland is growing and we are holding our own with the tourism market despite the impact of global economic conditions, in which spend-per-head is down on past years. Nevertheless, we intend to remain sustainable and we make every dollar count. During the past year we have drawn carefully on our asset replacement capital to invest more than \$7 million; further improvements are planned this coming year.

We respect the fact that the museum is funded via a levy on the domestic rates of the people of Auckland. We earn income from such areas as our shops, café, grants, sponsorship, commercial events and investments. Currently, the self-generated proportion is 19.4% of operating revenue. We have strategies in place to grow that figure and maintain downward pressure on costs. For example, a more than 30% reduction in carbon energy consumption found savings of over \$300,000, audited independently by the Certified Emissions Measurement & Reduction Scheme (CEMARS) and recognised with a national Green Ribbon award.

Among the year's operational highlights:

- Poignant events marking sacrifice included the ANZAC Day Dawn Service addressed by Auckland Mayor Len Brown and the Armistice Day Service attended by TRH The Prince of Wales and the Duchess of Cornwall.
- In conjunction with Auckland Council, we announced the theme for our five-year commemorations of the centenary of the First World War: *He toa taumata rau – Courage has many resting places* – which spans online projects, annual programmes, commemorative events and the upgrade of the online Cenotaph Database.
- As Her Majesty the Queen celebrated her Diamond Jubilee, *From the Summit* marked the coincident 60th anniversary of Sir Edmund Hillary's conquering of Everest. Our exhibition focused on Sir Ed's enduring legacies in Nepal for health and education; we were greatly honoured to receive further objects for the museum's collections from his family.
- Our new Research Centre, re-affirming our commitment to research and scholarship, has gained momentum, not least through partnership commitments established with several leading tertiary institutions.
- The launch of *Moana - My Ocean* focused on our precious seas; the project showed how staff, collections, research and external collaborations can work together to create compelling storytelling and memorable experiences for visitors of all ages.
- Our work with communities was recognised with a national award for our youth engagement pilot *UrbanLife*. Drawing on this experience, we will continue to develop our work 'beyond the walls'.
- As one of the leading cultural bodies in the city, the museum has made important contributions to the popular success of the Auckland Arts Festival, the 5th Auckland Triennial, the Pride Festival, Polyfest and the Pasifika Festival; and we have been active in promoting collaboration and partnership on the waterfront and elsewhere in the city.

We recognise the leadership and wisdom of our Trust Board and Taumata-ā-Iwi and we salute the talent and creativity of our staff at all levels; we are especially grateful for their combined commitment to the future of this institution. We also owe a great debt of gratitude to our 275 volunteers, who between them have contributed 25,000 hours in the past 12 months. Their generosity is an inspiration and an essential component of the museum's capacities and achievements.

The museum also benefits greatly from its close relationships with iwi, hapū and whānau, with our Members, the Museum Institute, Museum Circle, the RSA, our sponsorship partners and many cultural, creative and arts organisations. We acknowledge, too, the professional support and advocacy of Auckland's Mayor, Councillors, Council officials, Local Boards, Auckland MPs and Ministers, and the Board and staff of Regional Facilities Auckland (RFA).

We thank in particular the people of Auckland. We are here for you; *Future Museum* is your museum. Haere mai, we welcome the people of Tamaki Makaurau, alongside our many visitors from across New Zealand and overseas.



**Dr William Randall**  
Trust Board Chairman

**Martin Mariassouce**  
Taumata-ā-Iwi Chair

**Roy Clare CBE**  
Director



Image: Auckland Museum contributed to the success of the AK13 Festival by partnering with Group F on the *Breath of the Volcano* show.

# Research Update

## During 2012/2013 museum staff and research associates published 43 articles.

**The Collections and Research team provided 162 lectures, presentations and tours during the year, and responded to over 3,600 public and professional enquiries. There were 20 incoming exhibition loans (a total of 314 objects) and 15 outgoing exhibition loans (105 objects).**

**Museum staff and research associates are highlighted in bold.**

Anderson M.G., **Gill B.J.**, Briskie J.V., Brunton D.H. and Hauber M.E. 2013. Latitudinal differences in the breeding phenology of grey warblers covary with the prevalence of parasitism by shining bronze-cuckoos. *Emu* 113: 187-191.

Baillie S.M., Gudex-Cross D., **Barraclough R.K.**, Blanchard W. and Brunton D.H. 2012. Patterns in avian malaria at founder and source populations of an endemic New Zealand passerine. *Parasitology Research* 111: 2077-2089.

Beever R.E., Esler A.E., Young M.E. and **Cameron E.K.** 2012. Checklist of vascular plants recorded from Hauturu-ō-Toi (Little Barrier Island). *Auckland Botanical Society Bulletin* 30: 1-100.

Bolton L., Brown D., Brunt P., Kuchler S., Mallon S., **Skinner D.** and Thomas N. 2012. *Art in Oceania: A New History*. London: Thames and Hudson.

**Cameron E.K.** 2012. Mathesons Bay islet near Leigh, Auckland. *Auckland Botanical Society Journal* 67: 175-177.

**Cameron E.K.** 2012. Mexican fan palm (*Washingtonia robusta*) a new casual record for Europe? *Auckland Botanical Society Journal* 67: 178.

**Cameron E.K.** and Haines, L. 2013. Auckland Botanical Society's 75th (Diamond) Jubilee, 27 October 2012. *Auckland Botanical Society Journal* 68: 3-6.

**Cameron E.K.** 2013. Vascular flora (and some fauna) of islands/islets of the Hauraki Gulf. *Auckland Botanical Society Journal* 68: 27-34.

**Cameron E.K.** 2013. A visit to the Whatipu Sands, west Auckland. *Auckland Botanical Society Journal* 68: 43-47.

**Cameron E.K.** 2013. Updated vascular flora of Wooded Island, off Tiritiri Matangi Island. *Auckland Botanical Society Journal* 68: 69-74.

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**Clarke C.** 2013. *E kore ahau e ngaro he kakano i ruia mai i Rangiatea*. Pp. 6-7 in: Clarke, P. (ed.) Islanders: Jo Torr 2001-2013 Survey. Objectspace, Auckland.

**Clarke C.** 2013. *Māori Clothing*. Pp. 527-535 in: Condra, J. (ed.) The Encyclopaedia of National Dress: Traditional Clothing Around the World. ABC-CLIO, California.

**Gardner R.O.** 2012. Bangalow palm seeds in my garden. *Auckland Botanical Society Journal* 67: 186.

**Gardner R.O.** 2012. How to look at *Macropiper* (Piperaceae). *Auckland Botanical Society Journal* 67: 182-185.

**Gardner R.O.** 2012. The flowering and fruiting of elephant-ear taro (*Alocasia brisbanensis*, Araceae) in Auckland. *Auckland Botanical Society Journal* 67: 180-182.

**Gardner R.O.** 2013. *Piper* in New Guinea: the climbing species. *Blumea* 57: 275-294.

**Gill B.J.** and Hauber M.E. 2012. Piecing together the epic transoceanic migration of the long-tailed cuckoo (*Eudynamis taitensis*): an analysis of museum and sighting records. *Emu* 112: 326-332.

**Gill B.J.** and Taylor M.J. 2012. G.A. Buddle's collection of New Zealand and Canton Island birds' eggs. *Records of the Auckland Museum* 48: 29-44.

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Krug J.P., Asif H.A., Baeza I., **Morley M.S.**, **Blom W.M.** and Gosliner T.M. 2012. Molecular identification of two species of the carnivorous slug *Philine*, invaders of the US west coast. *Biological Invaders* 14: 2447-2459.

**de Lange P.J.** 2012. Taxonomic notes on the New Zealand flora: new names in *Piper* (Piperaceae). *New Zealand Journal of Botany* 50: 485-487.

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**Legget J.A.** 2012. From sugar as industry to sugar as heritage: Changing perceptions of the Chelsea Sugar Works. Pp. 191-209 in: Jolliffe L. (ed.) *Sugar heritage and tourism in transition*. Channel View Publications, Bristol, UK.

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**Legget J.A.** 2013. *Who controls the local government policy narrative about museums in New Zealand? Interrogating the museum perspective*. Pp. 452-454 in: Fountain J. and Moore K. (eds) *Tourism and Global Change: On the Edge of Something Big*. Proceedings of the 2013 Council for Australasian Universities Tourism and Hospitality Educators Conference. Christchurch, Canterbury. Lincoln University and CAUTHE.

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Murray B.G., Heenan P.B. and **de Lange P.J.** 2012. New chromosome counts in New Zealand species of Hydrocotyle (Apiaceae). *New Zealand Journal of Botany* 50: 481-484.

Murray B.G., Molloy B.P.J. and **de Lange P.J.** 2013. Chromosome studies in New Zealand species of Brachyscome (Asteraceae). *New Zealand Journal of Botany* 51: 139-144.

Murray B.G. and **de Lange P.J.** 2013. Contributions to a chromosome atlas of the New Zealand flora - 40. Miscellaneous counts for 36 families. *New Zealand Journal of Botany* 51: 31-60.

Nylinder S., Cronholm B., **de Lange P.J.**, Walsh, N. and Anderberg A.A. 2013. Species tree phylogeny and character evolution in the genus *Centipeda* (Asteraceae): Evidence from DNA sequences from coding and non-coding loci from the plastid and nuclear genomes. *Molecular Phylogenetics and Evolution* 68: 239-250.

**Skinner D.** 2012. Book review: Contemporary jewellers. *The Journal of Modern Craft* 5 (3): 365-368.

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**Wilcox M.D.** 2012. Auckland's remarkable urban forest. *Auckland Botanical Society Bulletin* 29: 1-347.

**Winkelbauer H.** 2013. News in Conservation. *International Institute for Conservation of Historic and Artistic Works* 34 (1): 13-15.

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## Conference Presentations

**Barraclough R.K.** 2013. *Wildlife disease and opportunities for research: Avian malaria and other blood parasites of the Hauraki Gulf*. Restoration in the Hauraki: Centre for Biodiversity and Biosecurity Workshop, University of Auckland.

**Caughley, V.J.** 2012. *The Brilliant Trans-Tasman Story of Ethel Parsons' 1886 Sampler*. Costume and Textile Association of NZ, Nelson.

**Caughley V.J.** 2012. *Women's Marks: The King Family Samplers*. Iwi – Christianity – Tauīwi, Re-evaluating Christianity's Influence in Shaping Aotearoa New Zealand c. 1800-c. 1860. 2014 Bicentenary Planning Group, Religious History Association of New Zealand, Waitangi.

**Caughley V.J.** 2013. *Cook Map Samplers: Women's Endeavours*. Keynote address, Costume and Textile Association of NZ, Auckland.

**Landers T.J.**, Rayner M.J., Hauber M.E., Phillips R.A. and Dennis T.E. 2012. *Seasonal movements of the trans-Pacific migrant, the Westland Petrel* *Procellaria westlandica*. The Fifth International Albatross and Petrel Conference, Wellington.

**Skinner D.** 2012. *Colonial rebels at home and abroad: Māori Modernism and decolonisation in the 1960s*. Cultures of Decolonisation: c. 1945-1970, London.

**Skinner D.** 2013. *A polarized convocation of jewelers reconsidered*. Meta-Mosaic, the Society of North American Goldsmiths annual conference, Toronto.

**Skinner D.** 2013. *The jewel mandala reconsidered*. Meta-Mosaic, the Society of North American Goldsmiths annual conference, Toronto.

**Trnski T.** 2012. *An island oasis in an ocean desert: Kermadec Islands marine fauna and flora, biogeographic affinities and population maintenance*. Australian Marine Sciences Association/NZ Marine Sciences Society combined annual conference, Hobart.

**Trnski T.**, Middleton I., Walker S. P. and Symonds J. E. 2013. *Ontogenetic development of hapuku, Polyprion oxygeneios (Polyprionidae), and possible relationships based on larval characters*. 9th Indo-Pacific Fish Conference, Okinawa, Japan.

**Young R.** 2013. *Mary Ann and Lady Jane*. Costume and Textile Association of NZ, Auckland.

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## Our Research Associates

**Dr Rosemary Barraclough**

**Vivien Caughley**

**Clinton Duffy**

**Dr Rhys Gardner**

**Dr Todd Landers**

**Dr Peter de Lange**

**Margaret Morley**

**Dr Mike Wilcox**

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## Director Emeritus

**Graham Turbott** (awarded 1979)

# Tribute to Rodney Wilson, CNZM

Dr Rodney Wilson, who passed away in Auckland in April 2013, is fondly remembered by colleagues for his spectacular achievements during his thirteen-year tenure as Director at Auckland War Memorial Museum as well as the major contribution he made to New Zealand's cultural landscape.

On the museum's 150th anniversary in May 2002, the Government announced it would contribute half the funds needed for the museum's \$53 million Stage Two redevelopment. Rodney and his team set about raising the balance over the next few years, with no drain on local councils. It was a triumphant moment when the new facilities were officially opened in 2006. A refined scholar and entrepreneurial businessman, he was renowned for rallying goodwill and support. His Auckland Museum colleagues remember a man with exceptional vision and creativity, and a predilection for bow ties and leather jackets. He was the first director to drive to work on a motorbike.

New Zealand has lost a fine figure who was influential and respected at the apex of our cultural and arts sector. In 2006 the *NZ Herald* named him a New Zealander of the Year and the following year Rodney was appointed Companion of the New Zealand Order of Merit.

Rodney trained in Fine Arts at the University of Canterbury, and shortly after he was appointed director of the Wairarapa Arts Centre in Masterton. During the early 70s he studied Art History in the Netherlands. He returned to New Zealand as the first appointee to the new Art History Department at the University of Canterbury; but, after five years of university teaching and gaining a PhD in Art History from Canterbury, he resigned to become Director of Christchurch's Robert McDougall Art Gallery. In 1980 he was appointed Director of the Auckland Art Gallery and after a successful term there was appointed Director of the National Gallery of Victoria in Melbourne. He returned to New Zealand to establish the National Maritime Museum on Hobson Wharf, and was later Director of Auckland Museum from 1994 until 2007.

In recent years, he formed his own company, Site Specific, and consulted on numerous projects, including a review of Dunedin City Museums, an exhibition honouring Christchurch architect Sir Miles Warren, and the development of The Shore Exhibition Centre for North Shore City Council. His outstanding contribution to architecture was honoured in the 2010 New Zealand Institute of Architects President's Awards and in 2012 Auckland Museum presented him with a Lifetime Achievement Award.

Rodney's legacy will forever remain in the museum as testament to his vision and fortitude.

**No reira e te rangatira pupuri taonga haere koe ki te ara karere kore ki muri.  
May you continue your debates in the presence of your forefathers.**

# Trust Board, Taumata-ā-Iwi and Executive Team

# Trust Board

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## Dr William Randall Chairman

With a master's and PhD degree in biology as well as an MBA in business/finance, William Randall has spent 15 years in banking and finance where he managed the treasury function for a large US investment company (Fidelity Investments) and was the managing director of New Zealand stockbroking company ANZ Securities NZ Limited. Currently a director of Chrysalis Capital Partners, William's primary interest lies in helping the country to develop its life science capabilities.

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## Brian Corban CNZM, QSO

Brian Corban was awarded the Queen's Service Order in 1993 for his services to broadcasting in New Zealand and was made a Companion of the NZ Order of Merit in April 2009 for services to the community. Admitted to the Waitakere Business Hall of Fame in 2005, Brian has served on the boards of a wide range of companies and community organisations at a local, regional and national level. He is a former chairman of Genesis Power and Radio New Zealand, and has successfully led companies through restructuring and deregulatory changes in the television, telecommunications, transport and electricity sectors. Brian was appointed a Fellow of the Institute of Directors in New Zealand in 2000, and the following year was appointed a Fellow of the New Zealand Institute of Management. He holds a MA (Hons) and LLB.

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## Carol Gernhoefer

Carol Gernhoefer is a chartered accountant with a postgraduate degree in Japanese. She has 20 years of experience as an accountant and consultant working for one of the Big Four chartered accounting firms and also as a chief financial officer. As her work experience was gained in the UK, America, Japan and New Zealand she is able to apply a global perspective to business operations in New Zealand. Carol is currently an associate at Lyne Opinion providing expert financial opinions in the areas of business valuation, litigation support and financial dispute resolutions. She is also a facilitator for the New Zealand Institute of Chartered Accountants accountancy school programmes and has a strong interest in not-for-profit organisations.

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## Fa'avae Gagamoe

Fa'avae Gagamoe specialises in the Pacific and Austronesian region in travel and tourism, business development for not-for-profit and commercial sustainability projects for sporting organisations. He is founding chairman and now co-chairman of RAISE Pasifika – a community initiative which aims to achieve educational parity for Pacific students by 2020. Fa'avae is newly appointed on the Pacific Dance NZ Board, chairman of the Parents Committee at Malelega ole Toelau and chairman of Rugby League Samoa in New Zealand. Fa'avae is a radio broadcaster, strategic planning specialist and enjoys spending time with his family.

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## Peter Hays

Peter brings to the board career-long experience in chartered accountancy in Auckland, in which he has focussed on corporate management, governance and reporting. He has a Bachelor of Commerce (Auckland) and a Diploma in Dispute Resolution-Arbitration (Massey). He has served both nationally and internationally in his profession including as president of the Institute of Chartered Accountants of New Zealand. He has been awarded life membership of this institute. He has had many professional involvements in the regulatory and business sectors in New Zealand and has served on the boards of many companies and charitable bodies. He has had a lengthy association with Auckland Museum including through the Museum Circle Foundation, of which he is a former chairman.

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## Dr Margaret Horsburgh CNZM

Margaret Horsburgh holds a Doctorate in Education and Master of Arts with first class honours in Education. Her undergraduate degrees are in anthropology and archaeology. For 25 years she has been involved in tertiary education at a senior level at AUT University and the University of Auckland. She is a registered nurse, holds an associate professorship in the Medical and Health Sciences Faculty at the University of Auckland and continues to have an active research portfolio. Margaret has governance experience with both Crown companies and not-for-profit organisations and is a member of the Institute of Directors. As an active Rotarian she has wide involvement with communities.





## John McIntyre

John McIntyre's extensive background in the travel industry service sector brings experience principally in the fields of airline sales and marketing, operations, relationship management and corporate key account travel management. Holding postgraduate qualifications in marketing and having a strong interest in history and heritage led him to a broadened involvement within the inbound tourism sector. As the managing director of Select Tours NZ, a niche inbound travel business, John is active in facilitating personalised, chauffeured, luxury tours and transport services for high-end discerning guests visiting New Zealand. He is also involved with the business and labour history group of AUT University's Work Research and Labour Market Institute.

## John Sinclair

John Sinclair is a registered architect who has practised in New Zealand and abroad since 1972. He is a graduate of the University of Auckland and has been director and consultant on developments throughout New Zealand, the Pacific and Asia. He is a former member of the Auckland Regional Council, past president of

the NZ Institute of Architects and has represented New Zealand on the Union International of Architects and the Commonwealth Association of Architects as vice president Oceania. He is chairman of Chamber Music NZ Foundation, board member of the NZ Academic Audit Unit, trustee of Musica Sacra, Cathedral Music Foundation, former chairman of Auckland YMCA, a member of Auckland Cathedral Council and the Auckland Zoo Trust.

## Howard Small

Howard Small has had an extensive career in financial and general management, with the last 10 years, until his retirement in 2011, as managing director (Australia & New Zealand) of Ingersoll Rand Climate Solutions. He has been a director of various companies in both New Zealand and Australia for over 25 years, and was, until June 2013, a Board Member of the Museum of Transport and Technology. Howard is also a member of the Council of Manukau Institute of Technology.

Clockwise from top left: Dr William Randall, Brian Corban, Carol Gernhoefer, Fa'avae Gagamoe, Peter Hays, Dr Margaret Horsburgh, John McIntyre, John Sinclair, Howard Small, Danny Te Puna Tumahai

## Danny Te Puna Tumahai

Te Puna Tumahai is a nationally recognised kaumatua (elder) of Ngāti Whātua o Orakei and chair of their Kaumatua Council. From 1996 to 2007 he was chair of the museum's legislated Māori Advisory Committee: the Taumata-ā-Iwi (comprising Ngāti Whātua, Tainui and Ngāti Paoa). He is the Taumata's appointee to the museum Trust Board, carrying overall responsibility for alignment of Māori values (mana Māori, mana whenua, manaaki) at governance level. Te Puna advises the government departments of Courts, Corrections and Education; serves on The Edge (Auckland Council's Arts Board), the Orakei Reserves Board and the National Maritime Museum Trust. On top of this he continuously fulfils Ngāti Whātua civic duties in partnership with the Mayor of Auckland.

# Governance Statement

**The Auckland War Memorial Museum continues to make considerable progress in observing the core elements of good governance, as articulated by the Securities Commission (Financial Markets Authority, May 1, 2010). All museum decision making adheres to these nine principles. The Board observes:**

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## Ethical Standards

The Trust Board is committed to the adoption of ethical conduct in all areas of its responsibilities. Its Code of Ethics and Conflict of Interest policies provide direction to Board members and the Board in addressing ethical issues in the best interests of the museum.

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## Board Composition and Performance

The Trust Board comprises ten members with the experience and expertise to provide counsel on a broad range of issues and form independent judgement on museum business. Appointments are governed by the Auckland War Memorial Museum Act 1996 with five members appointed by the Auckland Council and four by the Auckland Museum Institute and one by the Taumata-ā-Iwi. Appointments are for a two-year term with half the members retiring each year. Retiring members are eligible for re-appointment.

In accordance with the Act, the Trust Board appoints the museum Director (Chief Executive) who has responsibilities set out in the legislation. The museum Director may be appointed for a term of not more than five years and is eligible for re-appointment.

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## Board Committees

The Trust Board has established Board committees to support its governance work and enhance its effectiveness through efficient use of Board members' individual skills. The committees have roles defined by their Terms of Reference and make recommendations to the Trust Board. They are:

- A. Planning Committee
- B. Audit and Risk Committee
- C. Executive Committee
- D. Capital Projects Committee
- E. Investment Committee.

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## Reporting and Disclosure

The Trust Board prepares and publishes a Draft Annual Plan in advance of each financial year and invites submissions on the Plan and its financial forecasts. The Annual Plan and anticipated contribution by Auckland Council for museum funding for the financial year commencing 1 July annually is required to be approved by Auckland Council. Shortly after the end of each 30 June financial year, the Trust Board publishes its Annual Report. Included in this are full financial statements for the year and a statement of service performance. Together these enable the actual results and outputs for the year to be compared with those measures included in the Annual Plan. The annual plans and annual reports are distributed widely and are available from the museum website.

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## Remuneration

The Trust Board members' remuneration information is approved by the Auckland Council and is published in the Annual Plan (per member) and in the Annual Report as part of the aggregated amount for key personnel.

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## Auditors

The Trust Board through the work of the Audit and Risk Committee oversee the independent external audit process. The audit appointment is undertaken by Deloitte who report on both the financial statements and the statement of service performance included in the Annual Report.

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## Risk Management

The Trust Board and museum through the work of the Audit and Risk Committee have introduced and implemented a Risk Management Policy and Risk Management Register for identifying and reporting material business and environmental risks to the Board. This programme is undergoing internal trials and is subject to continuous improvement.

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## Stakeholder Relations

The Trust Board fosters constructive relationships with stakeholders including the Auckland Council, the RFA, Auckland Museum Institute, the Taumata-ā-Iwi, the RSA and the Museum Circle. It has actively encouraged the engagement of the whole community with the museum on all levels of activities ranging from the formal Annual Plan process to public meetings over the proposed renewal of museum galleries.

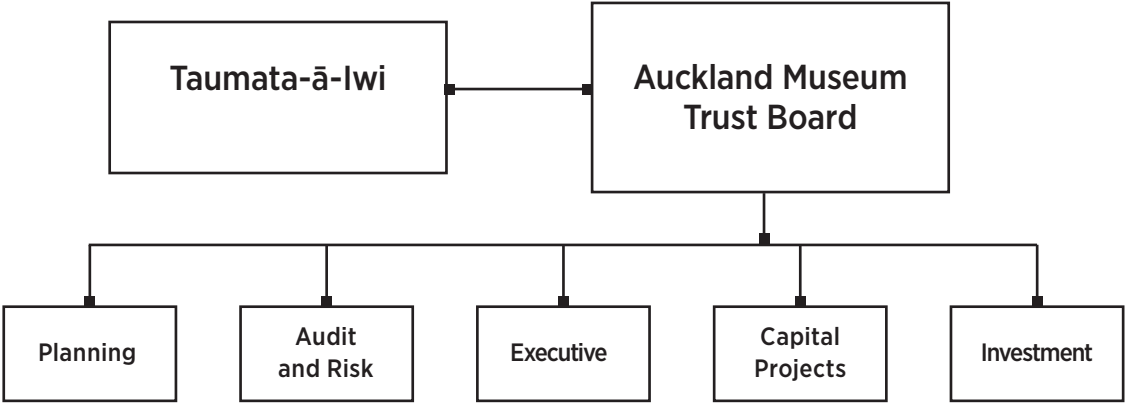
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## Stakeholder Interests

The Trust Board respects the interests of all museum stakeholders and is committed to the needs and expectations of its visitors and communities of Auckland. The museum recognises the role of the communities in enhancing exhibitions, care and understanding of the collections, taonga and the War Memorial.

# Board Committees and Terms of Reference

The Auckland Museum Trust Board has established a number of committees to help it carry out its statutory duties and functions.



## Planning Committee

This committee supports and assists the Trust Board to establish the Annual Plan for the future direction of the museum, its budgets and the setting of an annual levy paid by the contributing authority. The contents of the Annual Plan are defined by the Auckland War Memorial Museum Act 1996. The committee is chaired by John Sinclair and membership is drawn from the Trust Board.

## Audit and Risk Committee

This committee reviews the disclosure and contents of the annual financial statements and statement of performance presented in the Annual Report. It oversees the audit functions and monitors the museum’s assessment of organisational, business and legal risks and the systems and internal controls instituted to eliminate or to detect irregularities and exposures. The committee is chaired by Carol Gernhoefer and membership is drawn from the Trust Board.

## Capital Projects Committee

This committee oversees processes for capital projects, exhibitions and programmes developed within the museum, and reviews the funding, budgets and resources of projects requiring capital input. The committee is chaired by John McIntyre and membership is drawn from the Trust Board.

## Executive Committee

This committee assists the Board to ensure an effective and positive relationship between the Trust Board and the Director of the museum is maintained and developed. The committee is chaired by Dr Margaret Horsburgh and membership is drawn from the Trust Board.

## Investment Committee

This committee is established to provide effective advice and support for the investment and prudent management of the museum’s special purpose funds. The committee is chaired by Peter Hays and is comprised of both Trust Board and external members contributing investment expertise.



# Taumata-ā-Iwi



On display at the museum, these three 'pou' represent the close relationship between Ngāti Whātua, Tainui and Ngāti Paoa who collectively comprise the Taumata-ā-Iwi.

The Taumata-ā-Iwi is the museum's legislated Māori advisory committee, established by the Auckland War Memorial Museum Act 1996. Its function is to provide advice to the Auckland Museum Trust Board on the protocols of the museum, facilitating its relations with iwi throughout New Zealand and He Kōrahi Māori, the Māori dimension of the museum.

Membership on the Taumata-ā-Iwi is based on the principle of mana whenua and Ngāti Whātua was initially approached. Ngāti Whātua chose not to fulfil their manaakitanga role alone and called on the alliances established with their two nearest tribal neighbours over 200 years ago, Waikato and Ngāti Paoa. The present members are Martin Mariassouce, Precious Clark and Bernard Makoare (representing Ngāti Whātua), Te Warena Taua (representing Waikato) and Pita Turei (representing Ngāti Paoa).

As well as their iwi responsibilities, each representative also brings their individual expertise and experience within their respective fields to the Taumata-ā-Iwi and the museum.



# Executive Team

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## Roy Clare CBE

### Director

Roy Clare took up his appointment in August 2011 after leadership roles in the UK museum sector, including seven years as Director of the National Maritime Museum in Greenwich. Previously an admiral in the Royal Navy, Roy Clare was awarded the CBE in June 2007 for his services to museums.

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## Les Fleming

### Director Corporate Services and Chief Financial Officer

A chartered accountant with more than 30 years' experience in the financial, manufacturing and operations sector, Les joined Auckland Museum in 2005. Les is responsible for financial and operational strategy, building operations, health and safety, security, corporate compliance and financial reporting.

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## Sally Manuireva

### Director Public Programmes and Capital Projects

Sally joined Auckland Museum in September 2011 after a 15-year career in the UK museum and art gallery sector, most recently as Director of Public Programmes at National Museums Scotland. Sally is responsible for the implementation of *Future Museum* – a 20-year development plan for the museum – and all exhibitions, learning events programming and outreach.

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## Megan McSweeney

### Director External Affairs, Tourism and Sales

With senior executive experience in leading New Zealand companies, Megan has expertise in marketing, tourism, brand, customer experience and strategic communications. Megan is responsible for marketing and communications, sponsorship, visitor research and the income-generating portfolios of tourism and commercial events. She also serves on the board of the Tourism Industry Association of New Zealand.

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## Linnae Pohatu

### Tumuaki Director Māori Projects & Development

Linnae Pohatu joined the museum in July 2012 in the newly created role of Tumuaki Director, a position designed to enhance the museum's relationships with Māori and to help extend the range of services the museum offers the public. Linnae has a BA (Hons) from Massey University. She has held various public sector positions and spent three years at Te Papa Tongarewa as Bicultural Policy Analyst.

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## Rose Powell

### Director People, Organisation and Visitor Services

Rose's career spans the tertiary education, print manufacturing, media, banking and wine industries. In 2012 she completed a MBA in International Business and HR Management at AUT University. Rose is responsible for visitor services and all aspects of people-related activity including staff recruitment, retention and development, employment brand and wellness.

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## David Reeves

### Director Collections and Research

David joined the museum in January 2011 after holding a senior position at the Alexander Turnbull Library, and 15 years' experience in collection management at the Auckland Art Gallery and Te Papa. He leads the development, management and care of the museum's human history, natural science and library collections as well as overseeing research and public enquiry activities. David serves on the Archives Council.

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## Wesley Wenhardt

### Director Commercial and Business Development

Wesley joined the museum in October 2012 after moving from Vancouver, Canada. He has a strong and successful commercial track record with numerous major visitor-focused organisations around the world. His career includes roles at the Canadian Museum of Civilization in Quebec and the Tech Museum of Innovation in California. He is a graduate of the Getty Leadership Institute in Los Angeles and the University of Alberta, Canada.

Full profiles are available at  
[aucklandmuseum.com](http://aucklandmuseum.com)



From left: Roy Clare, Les Fleming,  
Sally Manuireva, Megan McSweeney,  
From left: Linnae Pohatu,  
Rose Powell, David Reeves,  
Wesley Wenhardt

# Our Partners

Our partners are the backbone of our success.

We are proud to work with the following organizations:

Our partners include:

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# Auckland Museum Institute

The Auckland Museum Institute is a learned society and membership body with a long history of association with the museum. The Institute is also the Auckland Branch of the Royal Society of New Zealand.

## Auckland Museum Institute

### Council Members:

Dr Roger Lins (President)  
 Ross Sharp (Vice President)  
 Dr Jessica Costa  
 Marguerite Durling  
 Jim Frater  
 Eric Keys (Co-opted)  
 Roger McElroy  
 Rae Nield  
 Linda Tyler  
 Lindsay Wyatt  
 Janet Xuccoa

### Staff:

Marketing & Communications:  
 Andrea Webley  
 Membership Administrator:  
 Greta Bachmann-Fuller

## From the President

The Institute continues to bring high-calibre speakers and events to the museum, working in close partnership with the museum, the Royal Society of New Zealand and with other external groups. A diverse programme of events made for a very successful year, with more than 35 events and members-only activities held including field trips, floor talks and exhibition previews.

A highlight in early 2013 was the Institute's involvement with the 6<sup>th</sup> International Conference on Advanced Materials and Nanotechnology, which led to the museum's Event Centre being filled with secondary school students to listen to three world-renowned speakers on nanotechnology, and then filled once more as Nobel Laureate Roald Hoffman held an audience of 500 people enthralled with his lecture on 'The Art, Craft and Psychology of Chemistry'.

The members-only tours of the Stewarts Lava Caves offered last year were repeated due to high demand. Three groups of around 12 members ventured into the caves under Three Kings that were originally surveyed in 1869 by James Stewart, who presented his findings to the Institute at the time.

Café Scientifique, now in its sixth year, continues to be a successful programme with topics and speakers attracting engaged and energetic audiences. Topics this year have ranged from the role of fat in weight-gain to an exploration of "flash fiction" – short stories under 1,000 words in length.

Our behind-the-scenes tours remain a highlight. They bring to life areas of the museum that are rarely seen. Through members' orientations or basement tours, members engaged at a much deeper level with our curators and collections.

The Institute is pleased to carry out its statutory role of working with the museum, providing support through the passion and generosity of its members, and through its involvement with annual planning processes and with Trust Board appointments.

**Dr Roger Lins**  
 President

# Auckland Museum Circle Foundation

The Museum Circle is an independent charitable trust founded in 2001 with the specific aim of supporting Auckland Museum. In the past 12 years the Museum Circle has successfully carried out two major capital-raising campaigns for the museum – Names in Stone and With a View to the Future – raising more than \$4 million.

## Chairman

Chris Devereaux

## Trustees

David Nicoll

Sir James Wallace

Peter Webb (resigned during the year)

Andrew Smith (also Treasurer)

## Committee

Tim Hannah

Alister M Martin (resigned during the year)

Andrew Melville

Jane Williams

## Executive Officers

Deirdre McOnie

Christine Granger

## From the Chairman

Membership remains strong, which is very pleasing, with Circle members generously supporting 2012-2013 activities. During 2012 and 2013 the Circle has supported the museum with final View to the Future payments and financial support for the conservation of the Cook's sampler.

The highlight of 2012 was the visit to Auckland by Dava Sobel, author of *Longitude*, *Galileo's Daughter* and *A More Perfect Heaven*. Ms Sobel's visit was funded by the Museum Circle and she was guest speaker at the Hillary Lecture and also the Patrons' Dinner.

Three Art Store tours were held during the year and these proved to be very popular with Circle members. More tours are planned for 2013.

At the Museum Circle Annual General Meeting, held in the Auditorium on 2 October 2012, members voted to donate Circle funds to the careful restoration and transportation of a Cook's map sampler, dated 1784. The sampler, which is a double hemisphere map, embroidery on silk, is by Martha Gibbons of Stoney Stratford and is signed and dated 1784. A significant feature of the sampler is the Te Reo Māori wording which is stitched on

the map of New Zealand. The sampler depicts the two hemispheres and the route which the *Endeavour* took. Each corner of the sampler has a floral motif, and in the centre, top and bottom, there are two cartouches displaying the title and the maker's name. Because so many samplers are signed and dated, they can be read as legitimate historical primary source documents and they have both an educational and a decorative function.

The 2013 Circle High Tea was held in the Events Centre on Sunday 14 April with over 280 guests present. Trelise Cooper, one of New Zealand's most famous fashion designers was interviewed by Circle member Christine Fletcher, and high tea guests were treated to an inspiring insight into Trelise's early life and career. A presentation depicting the Cook's sampler was on display at the event and guests were able to see the detail in this item.

The Museum Circle supports the museum's programmes, acquisitions and development and will continue to do so with the valued support of Circle members.

**Chris Devereaux**



# Funders, Partners, Sponsors & Supporters

## Funders

Auckland Council  
Regional Facilities Auckland



## Partners

Auckland Museum Institute  
Museum Circle Foundation



## Sponsors

Stevenson Foundation  
Newstalk ZB  
ECC Lighting & Furniture  
NZ Bus



## Supporters

### Exhibitions

#### Urbanlife

SKYCITY Auckland Community Trust  
Auckland Council Arts &  
Recreation Fund  
Waitemata Local Board

#### Camera Season of Photography

New Zealand Geographic Magazine

#### Moana – My Ocean

C&L Gregory Trust  
NIWA  
Tennyson Charitable Trust

## Lifelong Learning

#### I Am Making Movies

SONY New Zealand

#### School Programmes

Ministry of Education LEOTC Fund

#### Staff Development & Scholarships

Creative New Zealand  
Catherine Elizabeth Tong Bequest  
LA Spedding Trust  
EE Vaile Trust  
The Clark Collection Scholarship  
ICOM

## Sustainability

#### Solar

Meridian Energy

## Auckland War Memorial Museum Digital Cenotaph

Ministry for Culture and Heritage

## Collections & Research

Disney Art Trust  
Audrey Maddox Bequest

#### Revision and upgrade of the museum's marine collections database (grant 284872)

NZ Lottery Environment & Heritage

#### Conservation and incorporation of a large gift of botanical specimens (grant 311234)

NZ Lottery Environment & Heritage

#### Imaging of natural history 'primary type' specimens for public access (grant 310828)

NZ Lottery Environment & Heritage

#### Digitisation of herbarium type specimens

Mellon Foundation in association  
with the Council Heads of  
Australasian Herbaria

# Our Performance

Our performance is a reflection of the dedication and hard work of our team, and we are proud to share our achievements with you.

We have achieved significant milestones in the past year, and we are excited to continue our growth and innovation in the future.

Our commitment to excellence and customer satisfaction has led to a steady increase in our market share and a strong reputation in the industry.

We have successfully implemented new strategies and initiatives that have resulted in improved efficiency and productivity across all departments.

Our financial performance has been robust, with a consistent increase in revenue and a strong return on investment for our shareholders.

We have also made significant investments in research and development, ensuring that we remain at the forefront of our field.

Our commitment to sustainability and social responsibility has been a key focus, and we have implemented various initiatives to reduce our carbon footprint and support the community.

We have successfully navigated the challenges of the current market environment, and we are confident in our ability to continue to thrive in the future.

Our performance is a testament to the strength and resilience of our organization, and we are grateful for the support and trust of our stakeholders.

We look forward to continuing our journey of growth and innovation, and we are committed to delivering exceptional results for all our stakeholders.

Our performance is a reflection of the dedication and hard work of our team, and we are proud to share our achievements with you.

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# Statement of Service Performance

## Goal One: A strong sustainable foundation

2012/13 ACTIVITIES WHAT WE SAID WE WOULD DO	2012/13 PERFORMANCE MEASURES AND TARGETS	WHAT WE HAVE ACHIEVED AS AT 30 JUNE 2013	BASIS OF MEASUREMENT
<b>1.1.</b> Implement the programme of building maintenance as detailed in the Heritage Maintenance Plan and improve the environmental footprint for the museum.	<b>1.1.1.</b> Complete maintenance on windows and exterior doors identified in the Heritage Maintenance Plan by June 30, 2013.	Maintenance work on our exterior doors, south windows and the bulk of clearstory windows were completed. The remaining clearstory windows will be completed by August 2013.	Heritage Maintenance Plan, and contracts completed.
	<b>1.1.2.</b> Reduce total building electrical energy consumption by a minimum of 3% by June 30, 2013.	Reduction targets for electrical energy consumption were exceeded, producing a 17% reduction for the two years to December 2012.	CEMARS™ independent assurance statement for 2012.
	<b>1.1.3.</b> Introduce a recycling programme for our people and our visitors by October 2012.	A recycling programme was introduced on deadline and refined subsequently.	Presentation to staff.
<b>1.2.</b> Commercial offerings deliver financial benefits to the museum.	<b>1.2.1</b> Meet performance targets for the retail store, food and beverage, car park and venue facilities, as per their 2012/13 budgets.	<p>1. Retail store revenue in 2012/13 was \$1.42m, a 6.2% increase on 2011/12. The target for 2012/13 was \$1.68m.</p> <p>2. Café turnover in 2012/13 was \$1.43m, exceeding last year by 8%.</p> <p>3. Car park revenue for 2012/13 was \$148,000 (exceeding budget of \$120,000). The 2012/13 result was a 16% increase on the previous year.</p> <p>4. Venue facilities revenue of \$873,000 was achieved in 2012/13, an increase of 24% on 2011/12. The budget for 2012/13 was \$1.2m.</p>	Visitation and Revenue Generation Report to the Trust Board.
<b>1.3.</b> Build a sponsorship, partnership and fundraising framework which identifies a range of relationships and supports museum objectives.	<b>1.3.1.</b> Meet the contractual requirements of current sponsors, to ensure retention, by June 30, 2013.	Current sponsors have been retained and contracts met.	Contracts retained.
	<b>1.3.2.</b> Secure two new partnerships by June 30, 2013.	New relationships have been secured with Meridian Energy and Creative NZ, and others are in development.	Solar Project Initiation Document. Signed new partnership agreements with Meridian Energy and Creative NZ.

<b>1.4.</b> Implement the Māori Partnership Strategy and integrate into the museum's programmes and operations.	<b>1.4.1.</b> Implement the strategy's identified milestones by June 30, 2013.	He Kōrahi Māori Framework is currently under development and is scheduled for Trust Board approval in October 2013. The Māori Partnership Strategy will be reviewed against the He Kōrahi Māori Framework.	He Kōrahi Māori presentation and paper to Taumata-ā-Iwi.
	<b>1.4.2.</b> Develop a plan for resolution of provenanced and unprovenanced ancestral human remains by August 30, 2012 and meet identified milestones by June 30, 2013.	A Tumuaki Director (Māori Projects & Development) was appointed in July 2012. This work is under review. A meeting has been held with Te Papa's Karanga Aotearoa Repatriation Team to identify ways to work collaboratively on human remains repatriation.	Report to Executive Team.
<b>1.5.</b> Develop a strategy for a nationally distributed collection which is guided by the Māori Partnerships Strategy.	<b>1.5.1.</b> Write and share guidelines by October 31, 2012 to allow for a nationally distributed collection which provides flexibility and tikanga for taonga.	This work was deferred during the year while other operational priorities were addressed. Collections staff and others completed a discussion paper on guidelines for a nationally distributed collection in May-June 2013 which will contribute further to loans policy and He Kōrahi Māori implementation in 2013/14.	Museum discussion paper on guidelines for a nationally distributed collection.
<b>1.6.</b> Māori participation and engagement increased through collaborative programme development with Kohanga Reo, Kura Kaupapa, Whare Kura and Whare Wananga.	<b>1.6.1.</b> Document collaborative development processes and programme by August 31, 2012.	Work under 1.6 was deferred while a new team formed. Museum staff worked with Ministry of Education colleagues to identify key Kura and develop a consultation plan with them. Plans are in hand to develop and implement one Early Childhood Education programme and another programme for Kura Kaupapa Māori for delivery in February 2014.	Internal documentation on file showing the collaborative development processes and programme during 2012/13.
	<b>1.6.2.</b> Offer at least two new learning programmes by June 30, 2013.		
	<b>1.6.3.</b> Establish a funded Māori education internship by June 30, 2013.		
<b>1.7.</b> Enhance Collections Development Policy incorporating acquisition, care, conservation, storage, display, loans and dispersal or deaccession.	<b>1.7.1.</b> Develop a collection management action plan (cmap) by July 31, 2012 to bring standards of collection storage and care up to international best practice.	A plan identifying collection care priority projects was created in August 2012. Conservators and other collections staff keep up-to-date with international best practice in a variety of ways including accessing international journals subscribed to by the museum.	Priority plan and list of Auckland Museum library journal subscriptions on file.

<b>1.8.</b> Establish an Auckland Museum Research Centre.	<b>1.8.1.</b> Develop an annual research plan consistent with the museum's Research Strategy by July 31, 2012.	An annual research plan consistent with the museum's Research Strategy was not achieved because work to establish the Research Centre began later than envisaged. A new Head of Research took up her position in November 2012. Individual research plans were drafted following this, from April to August 2013.	Director's Report to Trust Board.
	<b>1.8.2.</b> By December 31, 2012, an Advisory Group for the centre is in place and the centre has a presence on the museum website.	A Chair of the Research Centre Advisory Panel was appointed March 2013. Terms of reference were developed and panel appointments made from April to July 2013 ahead of a formal announcement of the Chair and panel members at a museum research function in August 2013. A website presence for the centre was held over for inclusion in the relaunch of the museum's website in August 2013.	Director's Report to Trust Board.
<b>1.9.</b> Maintain a programme of scholarships and grants which attract and support research and publications based on Auckland Museum's library and archive collections.	<b>1.9.1.</b> Award three grants to researchers/writers by June 30, 2013 for scholarships based on the museum's library and archive collections.	Three grants were awarded to writers in February 2013 in association with the NZ Society of Authors. Six grants were awarded to University of Auckland students in May 2013 for a range of postgrad research projects.	Articles published on the museum website about the grants.
<b>1.10.</b> Form partnerships with research institutions to conduct a longitudinal study into how museum engagement (onsite, offsite, online) can enhance innovative and creative learning outputs.	<b>1.10.1.</b> Scope research and timeframes by November 30, 2012.	The longitudinal study was postponed and subsumed into <i>Future Museum</i> planning.	Evidence of Director approval.
	<b>1.10.2.</b> Agree MOU or contract with research partner by November 30, 2012.		
	<b>1.10.3.</b> Complete phase one of study by June 30, 2013.		
<b>1.11.</b> Develop a recruitment strategy to ensure a diverse workforce.	<b>1.11.1.</b> Recruitment strategy to be delivered by June 30, 2013.	This work was delayed pending strategies for audience development and He Kōrahi Māori, due for completion in late 2013.	Report to Director.
<b>1.12.</b> Develop and implement a programme to build Māori participation and capacity.	<b>1.12.1.</b> Develop measurement programme by July 31, 2012, and meet 2012/13 programme milestones by June 30, 2013.	The measurement programme was developed and milestones met.	Report to the Director and Executive Team.
	<b>1.12.2.</b> Comply with section 19 of the Auckland War Memorial Museum Act 1996.  Text	The museum was compliant.	Minutes of June 19, 2013 wānanga (workshop) of Māori staff.



<b>1.13.</b> Develop flexible workplace practices through effective use of technology and appropriate work tools and spaces.	<b>1.13.1.</b> Develop a business case by December 15, 2012 to support the implementation of a flexible workplace strategy and policies.	The flexible workplace strategy was completed in early 2013 and approved April 2013.	Business case and report to the Trust Board.
<b>1.14.</b> Ensure a robust IT infrastructure to support museum growth and an evolving digital strategy.	<b>1.14.1.</b> Develop a next generation Disaster Recovery Strategy by December 31, 2012.	An ICT Business Continuity Strategy was developed by June 2013 and renamed the Technical Architecture Investment Strategy. It includes provision for offsite storage of data and email exchange traffic.	Strategy reported to the Trust Board June 2013.
	<b>1.14.2.</b> Develop full electronic data record management system (EDRMS) information management tools and deploy the knowledge base structure by December 31, 2012.	The EDRMS project is a significant and complex initiative which is making good progress. The Trust Board in April 2013 approved an EDRMS project synopsis and timelines. The project is due to be deployed in October 2014.	Report to Trust Board.
	<b>1.14.3.</b> Ensure a searchable digital asset repository is operational within budget by June 30, 2013.	A request for information for a searchable digital asset repository was issued in March 2013. The final vendor solution is likely to be operational by June 2015.	Capital Project Committee Progress Report to Trust Board.
	<b>1.14.4.</b> Expand the museum fibre network by June 30, 2013 as part of the gallery renewal process, on budget.	This work was delayed and subsumed into <i>Future Museum</i> project work streams.	Evidence of Director approval.
	<b>1.14.5.</b> Create a business case to upgrade or enhance the library catalogue software by March 2013.	The business case was prepared by June 2013 and will be submitted during the 2013/14 financial year.	Business case on file.
<b>1.15.</b> Implement phase 2 of master plan, addressing gallery renewal, non-gallery visitor facilities, back-of-house spaces, welcome spaces and transport highways.	<b>1.15.1.</b> Develop a phased strategy and budget for approval by July 31, 2012.	This was approved by the Capital Projects Committee in October 2012.	Trust Board Report.
	<b>1.15.2.</b> Implement phase 2 on time, on budget, as per identified milestones.	Implemented on budget as per milestones in <i>Future Museum</i> report and work stream papers.	Report by the Capital Project Steering Committee to the Trust Board.
<b>1.16.</b> Future proof gallery infrastructure.	<b>1.16.1.</b> Develop a costed plan to integrate all gallery technical systems e.g. sound, audio, PA, visual, lighting by July 31, 2012.	With Trust Board approval, this work was subsumed into <i>Future Museum</i> gallery development planning.	Trust Board minutes.
	<b>1.16.2.</b> Meet key milestones by June 30, 2013.		

<p><b>1.17.</b> Maintain and enhance annual programmes related to the War Memorial.</p>	<p><b>1.17.1.</b> Achieve identified milestones for onsite and online programmes related to ANZAC Day and Armistice Day.</p>	<p>A range of onsite and online programming was successfully planned and delivered for both days. The online <i>Bulldog and the Battlecruiser</i> programme launched on time just prior to ANZAC Day, and special programming was on offer for the 7,000 people who came into the museum building on ANZAC Day. The Armistice Day service in November 2012 was the biggest in recent years, with a wreath laid by HRH the Prince of Wales.</p>	<p>Report to Trust Board.</p>
<p><b>1.18.</b> Develop onsite, offsite and online products to prepare the museum for the WWI centenary events which begin in 2014.</p>	<p><b>1.18.1.</b> Participate in centenary planning with other museums and the Ministry of Culture &amp; Heritage (MCH).</p>	<p>WWI centenary planning has been undertaken with other museums and MCH. Auckland Mayor Len Brown jointly announced the Council and Auckland Museum centenary plans on ANZAC Day 2013.</p>	<p>Report to Trust Board, seasonal What's On brochure, media release.</p>
	<p><b>1.18.2.</b> Ensure at least one online and one physical product is in development by the end of June 30, 2013.</p>	<p>The <i>Bulldog and the Battlecruiser</i> online product was developed and launched during the year. Several onsite (physical) products were in development, including the Pare Kawakawa exhibition of 12 head wreaths and a collaborative exhibition with the National Library.</p>	<p>What's On, media reports and WWI centenary planning documents.</p>

## Goal Two: A compelling destination and experience

2012/13 ACTIVITIES WHAT WE SAID WE WOULD DO	2012/13 PERFORMANCE MEASURES AND TARGETS	WHAT WE HAVE ACHIEVED AS AT 30 JUNE 2013	BASIS OF MEASUREMENT
<b>2.1.</b> Ensure Auckland Museum is family friendly to appeal to Auckland's children and families.	<b>2.1.1.</b> Develop programmes and family engagement strategies aligned to the Auckland Plan's strategic priority: putting children and young people first.	The MyMuseum card was introduced and includes a family membership option. The museum developed and delivered a wide range of programmes of special interest to children and young people, such as <i>UrbanLife</i> , Pinhole camera workshops, Dinosaurs & Fossils, the Kids Safari Toddler programme, Tala Pasifika, Matariki and the Shuang-Wen dance group from Taiwan with the Glenfield College Kapa Haka group.	MyMuseum report to Trust Board. Variety of programming information on file.
	<b>2.1.2.</b> Develop and implement a family charter by September 30, 2012 informed by the Kids in Museums programme, UK.	The project was postponed and subsumed due to <i>Future Museum</i> .	Evidence of Director approval.
	<b>2.1.3.</b> Work with the Auckland Museum Institute to develop a family membership programme which achieves 10% growth year on year.	This project was not done as it was subsumed by a broader review of the membership programmes. As a result, stage one of the customer relationship management programme MyMuseum was launched in March 2013, to stimulate membership by Auckland residents.	MyMuseum documents on file.
	<b>2.1.4.</b> Increase family visitation, year on year, by June 30, 2013 as measured by the annual Visitor Profile Survey (VPS).	This target was not achieved. Auckland family visitation as a proportion of mix of total Auckland visitation fell from 58% in 2011/12 to 51%. Total family visitation as a proportion of mix of total adult visitation also fell.	Visitor Profile Survey.
	<b>2.1.5.</b> Deepen engagement with our family audience as measured by VPS and project evaluations.	Approximately 35% of visitors to the <i>Wildlife CAMERA</i> exhibition were family visitors, according to VPS. Project reports showed programming offered by the museum for family audiences was well received.	Visitor Profile Survey and public programming evaluations.

<b>2.2.</b> Ensure the museum contributes to Auckland's tourism positioning as a vibrant and engaging international city.	<b>2.2.1.</b> Develop an international tourism business plan by July 30, 2012 to support the 2012/13 year.	An international tourism business plan was developed on time, aligned with ATEED's Visitor Strategy.	Tourism Strategy report to Trust Board.
	<b>2.2.2.</b> Continue to collaborate with the RFA Museums of Auckland (MOA) group to deliver joint marketing initiatives.	The museum was active within the MOA group. One MOA initiative has been exploring joint marketing opportunities with other Council-controlled organisations and Auckland Council. One outcome was working with Auckland Transport to achieve MOA group details on maps and signs.	MOA and RFA correspondence.
	<b>2.2.3.</b> Be an active member of the International Media Programme (IMP) in 2012/13 as evidenced by collaboration with ATEED and Tourism NZ.	The museum hosted a number of journalists during 2012/13 via the IMP.	Media coverage based on IMP visits on file.
	<b>2.2.4.</b> Develop and implement an additionally charged Pacific attraction to sit alongside the Māori cultural performance by June 30, 2013.	After a scoping exercise to determine profitability, a decision was taken not to introduce a new Pacific attraction at this time.	Scoping report.
<b>2.3.</b> Deliver integrated programmes and projects which appeal to museum audiences and fulfil the objectives of the Audience Development Plan.	<b>2.3.1.</b> Meet all audience objectives set as targets in business cases.	Audience objectives were achieved, with both the <i>WOW</i> and <i>Wildlife CAMERA</i> exhibitions exceeding their visitation targets.	Public Programmes update to Trust Board.
	<b>2.3.2.</b> Audience research team will develop measurable outcomes for all project business cases.	This was achieved, and included the development of measurable outcomes for audience type, visitation targets and learning objectives.	
	<b>2.3.3.</b> Develop a business case to support each integrated seasonal programme five months before the season starts.	This was achieved.	Business case developed and reported to the Executive Team.
	<b>2.3.4.</b> Develop an integrated marketing and communications plan to support each seasonal programme two months before the season starts.	This was achieved.	Marketing and communications plans on file.
	<b>2.3.5.</b> Achieve business case outcomes for programmes as measured by summative evaluations.	The <i>Wildlife CAMERA</i> exhibition ran for nine months and was the focus of our summative evaluation research for 2012/13. The <i>Wildlife CAMERA</i> visitation target was 79,000 visits and this was well exceeded with the visitation total for the business case period at 148,449 visits. With the exhibition extension, total visitation was 209,320. The <i>Wildlife CAMERA</i> exhibition achieved 7 out of a total 13 visitor learning objectives and was a particularly good fit for Auckland's independent adults.	Exhibition summative evaluation.

<b>2.4.</b> Ensure museum audiences have a compelling and satisfying overall visitor experience.	<b>2.4.1.</b> Ensure at least 90% of visitor satisfaction ratings are in the “good” to “excellent” categories.	This target was exceeded, with a 98% satisfaction rating achieved in the VPS.	Visitor Profile Survey.
	<b>2.4.2.</b> Achieve VPS research results that show at least 95% of visitors are likely to recommend the museum to others.	Our 2012/13 research showed 99% of visitors would recommend the Auckland Museum.	Visitor Profile Survey.
	<b>2.4.3.</b> Improve on previous year (2011/12) VPS results for the cleanliness of the building and the facilities, and the overall quality of the café.	Both targets were achieved.  97% of visitors surveyed positively rated the cleanliness of the building in 2012/13, compared to 95% in the previous year.  77% of visitors surveyed gave a positive rating for the overall quality of the café in 2012/13, compared to 71% in the previous year.  During 2012/13 a group was established to manage performance criteria set out in the café lease agreement.	Visitor Profile Survey.
<b>2.5.</b> Drive awareness of the Auckland War Memorial Museum brand through engaging programming to increase visitation onsite, offsite and online.	<b>2.5.1.</b> Achieve no fewer than 850,000 onsite visits in 2012/13 as measured by Reveal (visitor recording system).	846,814 onsite visits were achieved in 2012/13 as measured by Reveal.	Reveal and report to Trust Board.



	<b>2.5.2.</b> Evidence of at least 390,000 onsite visits from Aucklanders as measured by Reveal and VPS.	There were an estimated 491,000 onsite visits by Auckland adults during the year.	Reveal and Visitor Profile Survey.
	<b>2.5.3.</b> Evidence of at least 320,000 onsite visits by international visitors as measured by Reveal and VPS.	There were an estimated 279,000 onsite visits by international visitors during the year.	Reveal and Visitor Profile Survey.
	<b>2.5.4.</b> Evidence of at least 80,000 onsite visits from formal learners – early childhood, primary and secondary students and tertiary students.	41,402 onsite visits by formal learners were achieved during the year. This was lower than planned due to a departmental realignment and the prioritisation of staff time to develop offsite engagement with young people of all ages.  Note: Tertiary students are not recorded in these numbers unless the museum provides an educator.	Visitor and Commercial Report, June 2013.
	<b>2.5.5.</b> Ensure museum participation at offsite events, festivals and learning programmes reach at least 40,000 people by June 30, 2013.	The museum took exhibition space and had a high profile at Polyfest (attended by 40,000 people) and Pasifika (attended by 90,000). Almost 1,000 students took part in a formal learning programme during one day at Polyfest.	Director's report to Trust Board.
	<b>2.5.6.</b> Evidence that the museum's websites are used over 900,000 times per year (as measured by online analytical tools).	Usage of the museum's websites grew during the year to reach 945,864 visits.	Google Analytics report.
	<b>2.5.7.</b> Evidence that the museum's websites are used by over 450,000 people (as measured by online analytical tools).	Unique visits to the museum's websites totalled 573,840.	Google Analytics report.
	<b>2.5.8.</b> Ensure more than 60% of visitors have seen, heard or read about Auckland Museum in the past three months as measured in the VPS.	Target exceeded, with 67% of visitors having seen, heard or read about Auckland Museum in the three months prior to the VPS.	Visitor Profile Survey.
<b>2.6.</b> Attract a broad demographic audience profile onsite, offsite and online as outlined by the museum's Audience Development Strategy.	<b>2.6.1.</b> Achieve business case objectives for audience profile as measured by the annual VPS, the annual online VPS and in specific project summative evaluations and formal education visitation data.	Postponed pending the completion of the Audience Development Strategy.	Evidence of Director approval.
	<b>2.6.2.</b> Develop a seasonal plan of public programmes as part of integrated programming at least five months in advance of season.	This was achieved.	Public programming plans.

<b>2.7.</b> Deepen the level of engagement of museum visitors as outlined by our Audience Development Strategy.	<b>2.7.1.</b> Achieve business case targets for engagement, as measured in the annual VPS and project summative evaluations.	Audience Development Strategy work was postponed to align with <i>Future Museum</i> timelines.	Evidence of Director approval.
<b>2.8.</b> Align and integrate curricula outcomes into programmes and projects in order to maximise school participation and attendance onsite.	<b>2.8.1.</b> Reach school participation objectives as specified in business case.	420 schools and over 41,000 students visited the museum for formal learning. This was below the target of 62,295 students due to a departmental realignment and the prioritisation of staff time to develop offsite engagement with young people of all ages.	Visitor and Commercial Report, June 2013.
	<b>2.8.2.</b> Develop teacher resources and training opportunities for all programmatic themes and gallery renewals.	Teacher resources were developed for the exhibitions: <i>Moana — My Ocean</i> and <i>From The Summit — Hillary's Enduring Legacy</i> . Due to a departmental realignment during the year, the development of training opportunities was not progressed.	Teacher resources on museum website.
	<b>2.8.3.</b> Develop and deliver at least two new initiatives in collaboration with the Early Childhood Education (ECE) sector by June 30, 2013.	Several new ECE initiatives were developed and delivered, including a partnership with Auckland Council libraries marking Pacific language weeks, and programmes relating to exhibitions such as <i>Moana — My Ocean</i> and <i>From The Summit — Hillary's Enduring Legacy</i> .	Information on file and museum website.

## Goal Three: Accessible beyond the walls

2012/13 ACTIVITIES WHAT WE SAID WE WOULD DO	2012/13 PERFORMANCE MEASURES AND TARGETS	WHAT WE HAVE ACHIEVED AS AT 30 JUNE 2013	BASIS OF MEASUREMENT
<b>3.1.</b> Deliver offsite learning experiences.	<b>3.1.1.</b> Develop an integrated outreach plan developed by December 31, 2012 in partnership with community and/or educational organisations.	This work was deferred due to a departmental restructure.	Evidence of Director approval.
	<b>3.1.2.</b> Develop at least one programme at offsite locations in the Auckland region by June 30, 2013.	The museum developed a programme in the Okahu Bay area, as an extension to its <i>UrbanLife</i> youth engagement project. In April 2013 <i>UrbanLife</i> won a major category in the 2013 Museums Aotearoa Awards.	Information on file and museum website.
	<b>3.1.3.</b> Deliver 20 sessions through the Auckland libraries network by June 30, 2013, a 25% increase on 2010/11.	20 library programmes were delivered across Auckland, attended by 1,200 children and adults.	Report to Trust Board.
	<b>3.1.4.</b> Reach at least 25,000 people at offsite events, festivals and learning programmes by June 30, 2013.	The museum took exhibition space and had a high profile at Polyfest (attended by 40,000 people) and Pasifika (attended by 90,000). Almost 1,000 students took part in a formal learning programme during one day at Polyfest.	Director's report to Trust Board.
<b>3.2.</b> Make effective use of e-learning networks and relevant technologies (e.g. video conferencing) to promote open access to and enable self-directed discovery and use of museum content.	<b>3.2.1.</b> Document evidence of Auckland e-learning community collaboration resulting in at least two new initiatives by June 30, 2013.	These measures were achieved through the Three Kings Island expedition blog and the <i>Moana — My Ocean</i> exhibition.	Director's reports to Trust Board.
	<b>3.2.2.</b> Create a collaborative digital transmission channel (such as video conferencing) by June 30, 2013.	Video conferencing facilities were improved during the year and the use of Skype was dramatically increased, for example, for recruitment interviews. E-books were created for the Annual Plan, Annual Report and <i>Future Museum</i> publications.	Information on file and E-books on museum website.
	<b>3.2.3.</b> Ensure at least 50% of collection items have geo-coordinated data by June 30, 2013.	Geo-coordinated collection item targets were exceeded.	Collections Readiness Project documentation on file.

<b>3.3.</b> Increase the level of museum collections and content accessible online by creating and publishing online digital images of collection objects and specimens.	<b>3.3.1.</b> Achieve approval of an annual digitisation plan by July 31, 2012.	The digitisation plan was postponed and subsumed by the Digital Channel Strategy and <i>Future Museum</i> .	Director's report to Trust Board.
	<b>3.3.2.</b> Ensure at least 50% of collection items and digital content assets have clear and accurate rights and licensing statements.	Not achieved. Work to be incorporated into Digital Channel Strategy content stream.	Digital Channel Strategy content stream documentation on file.
	<b>3.3.3.</b> Publish 20,000 digital images of collection objects and specimens online by June 30, 2013.	Online collection portion of web redevelopment scoped as phases 2 & 3 to be implemented in 2013/14.  Collections Readiness project achieved 9,708 Natural Science images and 27,346 Human History images flagged and set for publication when online delivery is re-launched.	Director's report to Trust Board.
	<b>3.3.4.</b> Publish 20,000 digitised items from the museum pictorial collections to agreed image specifications by June 30, 2013.	21,040 images uploaded comprising: 18,771 image print files, 2,269 other items.  Note: The images published to the Cenotaph database are not currently counted as pictorial.	Collections and Research reports.
<b>3.4.</b> Create digital content based on museum's collections.	<b>3.4.1.</b> Co-develop with a technology, industry or cultural partner at least one product that uses museum digital content by June 30, 2013.	A digital app was successfully co-developed and launched for the marine exhibition <i>Moana – My Ocean</i> which opened in June 2013.	Museum website.
<b>3.5.</b> Stimulate and respond to public enquiries based on the museum's collections, images, information resources and expertise.	<b>3.5.1.</b> At least 24,000 onsite and email enquiries responded to.	20,438 enquiries were documented and responded to.	Collections and Research reports.
	<b>3.5.2.</b> At least 1,000 images supplied in response to requests from the public.	1,464 images supplied in response to requests for publication, research and personal use.	Collections and Research reports.
	<b>3.5.3.</b> 85% of requests replied to within five working days.	An estimated 89% of enquiries were responded to within five working days.	Collections and Research reports.

## Goal Four: Active participant in Auckland

2012/13 ACTIVITIES WHAT WE SAID WE WOULD DO	2012/13 PERFORMANCE MEASURES AND TARGETS	WHAT WE HAVE ACHIEVED AS AT 30 JUNE 2013	BASIS OF MEASUREMENT
<b>4.1.</b> Develop an Audience Research Unit to ensure that Auckland Museum, its programmes and lifelong learning are accessible onsite, offsite and online.	<b>4.1.1.</b> Produce evidence that the research function is integrated into the planning of audience-facing programmes and projects at their inception.	The Research Unit has been well integrated into the planning of audience-facing programmes and projects.	Project planning documents on file.
	<b>4.1.2.</b> Develop an annual plan of research activity for the 2012/13 year by July 30, 2012 to support business initiatives onsite, offsite and online.	A research plan for the 2012/13 year was developed in July 2012 featuring the summative evaluation of <i>Wildlife CAMERA</i> , <i>UrbanLife</i> and <i>LATE</i> , formative evaluation for <i>Moana — My Ocean</i> and ongoing visitor profiling.	Research plan on file.
	<b>4.1.3.</b> Implement annual plan of research activity as per identified milestones by June 30, 2013.	A programme of planned research was undertaken during the 2012/13 year including summative evaluation of <i>Wildlife CAMERA</i> , <i>UrbanLife</i> and <i>LATE</i> , formative evaluation for <i>Moana — My Ocean</i> and ongoing visitor profiling.	Research documents on file.
	<b>4.1.4.</b> Evidence of research findings being shared with museum colleagues and relevant stakeholders through presentations and knowledge sharing.	A number of in-house training sessions and presentations about research findings were held during the year. Museum research was also shared at a Museums Aotearoa seminar in Auckland on August 20, 2012.	Research presentations
<b>4.2.</b> Work with Auckland Council, RFA and other Council-controlled organisations (CCOs) to achieve great results for the people of Auckland.	<b>4.2.1.</b> Participate in RFA collaborative forums and share expertise across a range of disciplines e.g. marketing, research, digital media.	The museum worked closely with the RFA as a member of the Museums of Auckland (MOA) group, partnered regularly with ATEED on activity such as the Auckland Arts Festival and the Auckland Pride Festival. The museum's research unit has regular meetings with colleagues at the RFA and the Auckland Council's Research, Investigations and Monitoring Unit.	Project Plan for <i>Moana — My Ocean</i> SROI and museum correspondence on file.
	<b>4.2.2.</b> Develop at least one visitor programme linked to another CCO member organisation during 2012/13.	The museum participated prominently with fellow RFA CCO the Auckland Art Gallery in the 5th Auckland Triennial. The museum did this by hosting the work of Kiwi artist Peter Robinson and collaborating with New York-based artist Amie Siegel on her film <i>Winter</i> .	Media coverage and museum website.
	<b>4.2.3.</b> Produce evidence that online performance and user metrics are documented, analysed and shared during 2012/13.	Online engagement has been documented, analysed and shared throughout the year.	Online performance and user metrics documented on file.



	<b>4.2.4.</b> Provide programming at a minimum of four city-wide events/festivals such as Matariki.	The museum ran programming relating to Matariki, Polyfest, Lantern Festival, Pasifika and Samoan Language Week.	Information on file and museum website.
	<b>4.2.5.</b> Develop at least one museum based school-to-work/school-to-tertiary study transition programme by June 30, 2013.	This work was deferred to allow a new departmental team to form.	Evidence of Director approval.
<b>4.3.</b> Regular, meaningful dialogue and collaboration with cultural arts, tourism and heritage organisations and international arts, research and cultural bodies.	<b>4.3.1.</b> Participate in national and international cultural and heritage bodies or working groups such as the national digital forum and active involvement in Museums Aotearoa and Auckland Heritage, Librarians and Archives Group (AHLAG).	Museum staffers were active on heritage, technology, library and related bodies. Involvement in AHLAG is still being explored.  The External Affairs, Tourism and Sales Director joined the board of the Tourism Industry Association. The Collections & Research Director served on the Archives Council. The Head of Communications was President of the Science Communicators Association of NZ. Our Māori Librarian was elected onto the leadership council of Te Rōpu Whakahau, and our Team Leader (Cataloguing) was elected secretary of the Australia NZ Maps Association. The Associate Curator for Applied Arts & Design was awarded the Clark Collection Scholarship for 2013.	Information on file, and on TIANZ, SCANZ and museum websites.
	<b>4.3.2.</b> Present and attend national and international conferences to share and gain knowledge and expertise with the industry.	Senior museum staff presented at international museum conferences in Vancouver, Canberra and Sydney, and at the 2013 Museums Aotearoa conference in Hamilton. Our research team was represented at the Visitor Studies Association conference in North Carolina in July 2012.	Presentations and other information on file.
	<b>4.3.3.</b> Develop at least one international joint project in advance of the WWI centenary.	A planning workshop was held in Auckland with the Belgian Federal Committee for WWI Centenary Planning. The museum is working with Te Papa, Massey University, the University of Auckland and the NZ Defence Force on a possible internationally significant heritage and arts conference in 2017.	Director's report to Trust Board.
<b>4.4.</b> The museum is seen as a good citizen of Auckland.	<b>4.4.1.</b> Develop a strategy by October 2012 which enables staff to contribute to the creative arts sector and charitable causes in Auckland.	A strategy to deliver good citizenship and active contribution to the creative arts sector and charitable causes in Auckland was developed.	Strategy paper.
	<b>4.4.2.</b> Award three pro bono venue waivers to selected charities in the 2012/13 year.	Pro bono venue waivers were awarded to the following charities: Churchill Park School, Accelerating Aotearoa, Body Positive Inc. Mercy Hospice Auckland.	Information on file.

<b>4.5.</b> Work with Auckland Council to improve the experience visitors have in Auckland Domain and ensure access to Auckland Museum is inclusive to all.	<b>4.5.1.</b> Partner with Auckland Council to improve the preservation and care of the War Memorial Cenotaph.	The museum communicated with Auckland Council during 2012/13 about domain-related issues such as care of the Cenotaph, signage and public transport. The museum is participating in the creation of a master plan for the domain and way-finding has been incorporated into these discussions. The museum made a submission to the Auckland Regional Public Transport Plan in November 2012.	Presentations to Auckland Council, the RFA Board and the domain master planning group. A submission on the Unitary Plan to Auckland Council, and a submission to Auckland Transport.
	<b>4.5.2.</b> Maintain and improve way finding signage to the museum by June 30, 2013.		
	<b>4.5.3.</b> Advise Auckland Council on how public transport can be improved to ensure access to the museum is inclusive for all.		
<b>4.6.</b> Deliver programmes to enhance the museum's position as the place where issues of importance to Aucklanders are discussed.	<b>4.6.1.</b> Develop and implement an ongoing programme of lectures and symposia and events as evidenced by publication of seasonal programmes.	A varied and topical programme of <i>LATES</i> were well attended, as was the Auckland Museum Institute lecture series.	Programme Strategy Group papers, and <i>LATE</i> advertising.
<b>4.7.</b> Enrich museum knowledge and records of its collections by engaging community sources of expertise within Auckland.	<b>4.7.1.</b> Identify three projects by July 2012.	The final phase of the major multi-year textile project was prioritised and completed. A team of 6 skilled volunteers catalogued and documented the museum's textile collection in weekly working sessions utilising community expertise to augment curatorial knowledge and add to image files and database records. Two other projects (Māori and Pacific) were deferred to be included in <i>Future Museum</i> co-development projects commencing 2nd quarter 2013/14 year.	Project planning documents.
	<b>4.7.2.</b> Design and get approval for engagement plans by December 31, 2012.	The major enhancement of the online Cenotaph facility was approved and funding was secured, enabling it to be at the heart of the museum's WWI centenary programme. A business plan including a proposed "content owner" role to co-ordinate institutional and community-contributed content was completed April 30, 2013. Community submissions of Cenotaph content was documented and uploaded to database by volunteers.	Business plan and other information on file.
	<b>4.7.3.</b> Enhance database record by June 30, 2013.	This project was not done but will be delivered in stages over the next two years.	Digital Initiatives Group minutes.

## INDEPENDENT AUDITOR'S REPORT TO THE AUCKLAND MUSEUM TRUST BOARD

### Report on the Audit of the Status of Performance Measures in the Statement of Service Performance

We have been engaged by the Auckland Museum Trust Board to conduct a reasonable assurance engagement relating to the Status of the Performance Measures (included in the Statement of Service Performance on pages 32 to 46) in relation to the Auckland War Memorial Museum for the year ended 30 June 2013.

### The Auckland Museum's Trust Board's Responsibility

The Auckland Museum Trust Board is responsible for ensuring that the Status of the Performance Measures (included in the Statement of Service Performance) are fairly presented in accordance with the Basis of Measurement (as defined in the Statement of Service Performance) and for such internal controls as the Auckland Museum Trust Board determines is necessary to enable the proper presentation of the Status of the Performance Measures.

### Auditor's Responsibility

Our responsibility is to express an opinion whether, in our opinion, the Status of the Performance Measures (included in the Statement of Service Performance) are fairly presented, in all material respects, in accordance with the Basis of Measurement (as defined in the Statement of Service Performance). Our engagement has been conducted in accordance with International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE (NZ) 3000"), to provide reasonable assurance that the Status of Performance Measures are fairly presented in accordance with the Basis of Measurement and Status Ratings (as defined in the Statement of Service Performance).

Our procedures consisted primarily of:

- Understanding and analysing the process for the preparation of the Status of Performance Measures;
- Interviewing the individuals responsible for the preparation of the Statement of Service Performance;
- Analysing and validating the information used by management in the preparation of the Status of Performance Measures; and
- Reviewing the Status of Performance Measures against the information obtained from management and the findings of our work.

### Use of Report

This report is provided solely to the Auckland Museum Trust Board, as a body, in accordance with Section 28 of the Auckland War Memorial Museum Act 1996. Our audit has been undertaken so that we might state to the Auckland Museum Trust Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Auckland Museum Trust Board, as a body, for our audit work, for this report, or for the opinions we have formed.

### Inherent Limitations

Because of the inherent limitations of internal control, the use of selective testing, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence, it is possible that fraud, error or non-compliance may occur and not be detected.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we have no relationship with or interests in the Auckland Museum Trust Board.

### Opinion

This conclusion has been formed on the basis of, and is subject to, the inherent limitations outlined elsewhere in this independent assurance report.

In our opinion, the Status of the Performance Measures (included in the Statement of Service Performance on pages 32 to 46) are fairly presented, in all material respects, in accordance with the Basis of Measurement (as defined in the Statement of Service Performance) for the year ended 30 June 2013.



### Chartered Accountants

10 October 2013

Auckland, New Zealand

This assurance report relates to the Statement of Service Performance in the Annual Report of The Auckland War Memorial Museum Trust for the year ended 30 June 2013 included on The Auckland War Memorial Museum website. The Auckland Museum Trust Board is responsible for the maintenance and integrity of The Auckland War Memorial Museum website. We accept no responsibility for any changes that may have occurred to the Annual Report since it was initially presented on the website. The audit report refers only to the Status of Performance Measures included in the Statement of Service Performance named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Annual report. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the Annual report to confirm the information included in the Annual report presented on this website. Legislation in New Zealand governing the preparation and dissemination Annual reports may differ from legislation in other jurisdictions.



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## Contact Information

**Auckland War Memorial  
Museum**  
Tāmaki Paenga Hira

[aucklandmuseum.com](http://aucklandmuseum.com)

**Reception Email**  
[info@aucklandmuseum.com](mailto:info@aucklandmuseum.com)

**Reception Telephone**  
09 309 0443

**Infoline**  
09 306 7067

**Education Services**  
09 306 7040

**Bookings Office**  
09 306 7048

**Museum Shop**  
09 309 2580

**Venue Hire**  
09 302 9765

**Postal Address**  
Auckland Museum  
Private Bag 92018  
Victoria Street West  
Auckland 1142  
New Zealand

**Physical Location**  
The Auckland Domain  
Parnell, Auckland  
New Zealand

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## How to Stay in Touch

Receive regular **What's On** information about museum events and follow the museum on **Facebook** and **Twitter**. Also available are details about **Auckland Museum Institute** membership and the **Auckland Museum Circle Foundation**.

This annual report has been prepared in accordance with section 28 Auckland War Memorial Museum Act 1996.

# Annual Report 2012/2013 Full Financials



# Financial Statements

## Reporting entity

The reporting entity is Auckland Museum Trust Board which is a body corporate established in the Auckland War Memorial Museum Act 1996. Its principal activity is managing, maintaining and developing the Auckland War Memorial Museum. In these financial statements it is referred to as 'the museum'.

During the year a subsidiary company, Auckland Museum Enterprises Ltd, was incorporated to hold registration as the developer of certain intellectual property rights. No capital has been subscribed, and the company has no recorded assets or liabilities nor are transactions processed through this company. Accordingly the financial statements of the Auckland Museum Trust Board also represent the consolidated financial statements of the Auckland Museum Trust Board and its dormant subsidiary.

## Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards, as appropriate for public benefit entities.

The financial statements were authorised for issue by the Auckland Museum Trust Board on October 10, 2013.

## Basis of preparation

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. The methods used to measure fair values are discussed below. The accrual basis of accounting has been applied, as has the going concern assumption.

Components of the financial statements not prepared on the basis of historical cost or deemed cost, are certain financial instruments which are carried at fair value.

The functional and presentation currency is New Zealand dollars (NZD) rounded to the nearest thousand.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been consistently applied in preparing the financial statements for the year ended 30 June 2013 and the comparative information presented in these financial statements for the year ended 30 June 2012.

## Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

## A. PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses.

Donated assets with an estimated fair value over \$1,000 are initially recorded at fair value (which is treated as cost) and subsequently at that amount less accumulated depreciation and accumulated impairment losses.

### Collections

Collection fixed assets are those artifacts that are of cultural or historical importance. The museum maintains a physical inventory of all the assets that comprise the collection fixed assets. The residual amount of the collection is considered to be equal to or greater than the carrying value in the financial statements. Their asset lives are indeterminable and the depreciable amount negligible. Depreciation is charged where a decrease in the residual value is identified. The museum does ensure that the carrying value of the collection assets has not been impaired, that they still exist physically, have not lost value materially in aggregate due to their physical deterioration, nor have lost value materially in aggregate due to the diminution in their market values.

### Other property, plant and equipment

The depreciable amount of an asset is allocated on a systematic basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end, to ensure the asset's residual value does not exceed its carrying amount, and that the residual value is an amount equal to or greater than the asset's carrying amount.

Depreciation is charged at the following annual rates on a straight-line basis.

#### Collections:

Heritage assets	Nil
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#### Buildings:

Buildings	1-2%
Building fit-outs	5-10%
Office furniture and fittings	5-20%

#### Displays:

Display galleries	7-33%
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#### Equipment:

Plant and equipment	4-20%
Motor vehicles	20%
Information technology	20-33%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimates accounted for on a prospective basis.

## B. INTANGIBLE ASSETS

Computer software and other design modules is a finite life intangible asset and is recorded at cost less accumulated amortisation and impairment losses. It is amortised over three years on a straight-line basis.

Cost includes expenditure that is directly attributable to the acquisition of the items. Where expenditure is incurred on research that is attributable to the acquisition of items, this is charged as an expense in the statement of comprehensive income in the period in which it is incurred.

## C. IMPAIRMENT OF ASSETS

At each reporting date, the museum reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Where the asset does not generate cash flows that are independent from other assets, the museum estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use.

The museum applies the public benefit exemption in relation to NZ IAS 36 "Impairment" that allows value in use to be equal to depreciated replacement cost.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value. In which case the reversal of the impairment loss is treated as a revaluation increase.

## D. FINANCIAL ASSETS

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are initially measured at fair value plus transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at their fair value.

Interest, realised gains and losses, and increases and decreases in investment values are recognised through profit or loss. Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

### **Financial assets at fair value through profit or loss**

Financial assets in this category are either financial assets held for trading or financial assets designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the museum manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

All derivatives entered into by the museum are classified as held for trading as the museum does not apply hedge accounting.

### **Loans and receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

### **Impairment of financial assets**

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. A trade receivable is deemed to be uncollectible upon notification of insolvency of the debtor or upon receipt of similar evidence that will be unable to collect the trade receivable. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed.

In respect of financial assets carried at amortised cost, with the exception of trade receivables, the impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. Subsequent recoveries of trade receivables previously written off are credited against the allowance account.

## **E. EMPLOYMENT BENEFITS**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, alternative leave, long-service leave, sick leave and retirement gratuity when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the museum in respect of services provided by employees up to reporting date.

Contributions to defined contribution superannuation plans are expensed when incurred.

## **F. FINANCIAL LIABILITIES ISSUED BY THE MUSEUM**

### **Debt instruments**

Debt instruments are classified as financial liabilities in accordance with the substance of the contractual arrangement. Debt is classified as current unless the museum has the unconditional right to defer settlement of the debt for at least 12 months after the balance sheet date.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost using the effective interest method.

## **G. DERIVATIVE FINANCIAL INSTRUMENTS**

The museum's fund managers enter into forward foreign exchange contracts to manage its exposure to foreign exchange rate risk when purchasing equipment and exhibitions in foreign currencies and requires its investment managers to manage the exposure to foreign exchange risk on its international investments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately. The museum has not adopted hedge accounting.

## **H. FOREIGN CURRENCY**

All foreign currency transactions during the year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair values that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise.

## **I. GOODS AND SERVICE TAX**

All balances are presented net of Goods and Services Tax (GST), except for receivables and payables which are presented inclusive of GST.

## **J. INCOME TAX**

The museum is exempt from payment of income tax as a registered charitable organisation. Accordingly no income tax balances are accounted for.

## **K. INVENTORIES**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on an average basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## **L. LEASED ASSETS**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



#### **Entity as lessor**

Operating lease revenue is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

#### **Entity as lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern over which economic benefits from the leased asset are consumed.

### **M. PAYABLES**

Trade payables and other accounts payable are recognised when the museum becomes obliged to make future payments resulting from the purchase of goods and services.

### **N. PROVISIONS**

Provisions are recognised when the museum has a present obligation (legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

### **O. REVENUE RECOGNITION**

#### **Levies**

Levies are received from the Auckland Council. These are recognised as revenue on an accruals basis.

#### **Donations**

Donations are recognised as revenue upon receipt. The fair value of volunteer services is recognised as income and an expense when the service is received. Fair value is determined by reference to the expected costs that would otherwise be borne for these services.

#### **Admissions**

Admissions received for special exhibitions and events are recognised as revenue received.

#### **Sale of goods**

Revenue from the sale of goods is recognised when the museum has transferred to the buyer the significant risks and rewards of ownership of the goods.

#### **Rental revenue**

Rental revenue in relation to a sub-lease for the museum café is recognised in profit or loss on a straight-line basis over the lease term.

### Dividend and interest revenue

Dividend revenue from investments is recognised when the shareholders' rights to receive payment have been established. Interest revenue is recognised using the effective interest rate method.

### Grants

Grant revenue is recognised when the conditions attached to the grant have been complied with.

## P. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the museum's accounting policies, which are described in the notes, the Trust Board is required to make judgements, estimations and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### *i) Fair value of investments – restricted of \$68.868 million*

The estimation in establishing the fair value of investments is undertaken by external independent sources. The museum relies on New Zealand Asset Management and Milford Asset Management for determination of these fair values.

### *ii) Fair value of collection assets of \$267.475 million and building of \$114.354 million*

At 1 July 2006 (transition to NZ IFRS), the museum has fair valued its collection assets and used those values as deemed costs. Judgements were made at that time to determine fair value and in selecting an appropriate valuation technique. Collection assets that were gifted subsequently were also measured at fair value which also involved the use of judgement. The fair value of the collection assets could have moved materially given the collection's nature.

The museum valued the building at deemed cost at the transition to NZ IFRS. This required an assessment of the depreciated replacement cost at 1 July 2006. The value of the building presented in note 7 is comprised not only of deemed cost on 1 July 2006, but also subsequent additions recorded at cost. The determination of the deemed cost involved the use of judgment in selecting an appropriate valuation technique.

Any upward movement in fixed asset is not accounted for by the museum. Accordingly the fair value will vary from that noted in the financial statements.

### *iii) Useful lives and residual values of property, plant and equipment of \$405.239 million*

The Board reviews the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period. A judgement is made around residual value being greater than or equal to carrying value and therefore collection assets are not depreciated.

Any change in these factors impacts the depreciation amount and would have a material impact on the museum's fixed assets.

#### Q. FUTURE CHANGES TO FINANCIAL REPORTING STANDARDS

The External Reporting Board issued a new Accounting Standards Framework in April 2012 based on a multi-sector, multi-tiers approach.

A new suite of standards is proposed for Public Benefit Entities that are not in the public sector and these standards are expected to be applicable to the museum. The standards are proposed for adoption in reporting periods beginning on or after July 1, 2015 with early adoption permitted once the standards are finalised.

This means that the financial reporting requirements for PBEs are frozen for the short term. Consequently, no disclosure has been made regarding the new or amended NZ IFRS released during the year as they are not applicable to PBEs. A detailed impact assessment of the new suite of standards will be completed in due course.

#### R. NEW OR AMENDED STANDARDS

There have been no changes in standards since the previous reporting date which affect the current period's financial statements.

#### S. CHANGES IN ACCOUNTING POLICIES

Accordingly there have been no changes to accounting policies.

AUCKLAND MUSEUM TRUST BOARD  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2013 (GROUP & PARENT)

	NOTE	ACTUAL 2013 \$000s	ANNUAL PLAN 2013 \$000s	ACTUAL 2012 \$000s
<b>Revenue</b>				
Auckland Council levy		26,641	26,641	25,617
Interest revenue		596	675	498
Grant revenue		498	266	236
Admissions		860	1,432	1,138
Commercial operations		3,215	3,900	3,280
Donations, sponsorship, event and other revenue		1,192	1,635	1,070
Exhibitions		60	225	385
<b>Total revenue</b>		<b>33,062</b>	<b>34,774</b>	<b>32,224</b>
<b>Expenses</b>				
Maintenance and management costs	1	32,397	34,364	31,005
Development costs	1	685	236	521
Interest expense		52	74	90
<b>Total expenses</b>		<b>33,134</b>	<b>34,674</b>	<b>31,616</b>
<b>Net (Deficit)/ Surplus from Operating Activities</b>	<b>2</b>	<b>(72)</b>	<b>100</b>	<b>608</b>
<b>Special Purposes Activities</b>				
<b>Revenue</b>				
Interest revenue		-	-	23
Donations and bequests		187	-	70
Heritage assets donated		756	-	686
Change in measurement of investments at fair value		7,231	-	2,910
		<b>8,174</b>	<b>-</b>	<b>3,689</b>
<b>Expenses</b>				
Trusts, bequests & reserves expenditure		1,089	-	462
		<b>1,089</b>	<b>-</b>	<b>462</b>
<b>Net Surplus from Special Purposes Activities</b>		<b>7,085</b>	<b>-</b>	<b>3,227</b>
<b>Total Surplus</b>		<b>7,013</b>	<b>100</b>	<b>3,853</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>7,013</b>	<b>100</b>	<b>3,853</b>
<b>Allocated to:</b>				
General Equity		(72)	100	608
Special Purposes Equity		2,864	-	1,041
Asset Replacement Reserve		4,221	-	2,186
		<b>7,013</b>	<b>100</b>	<b>3,853</b>

AUCKLAND MUSEUM TRUST BOARD  
STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2013 (GROUP & PARENT)

	NOTE	ACTUAL 2013 \$000s	ACTUAL 2012 \$000s
<b>Current Assets</b>			
Cash and cash equivalents		5,122	372
Short-term investments		-	3,745
Short-term investments - restricted	18	583	-
Trade receivables		219	407
Goods and services tax receivable		223	171
Prepayments		1,017	630
Inventory of finished goods		433	446
		<b>7,597</b>	<b>5,771</b>
<b>Current Liabilities</b>			
Trade payables and accruals		4,279	2,551
Employee benefits	5	1,229	1,104
Interest-bearing loan	8	1,000	-
		<b>6,508</b>	<b>3,655</b>
<b>Net Current Assets</b>		<b>1,089</b>	<b>2,116</b>
<b>Non-current Assets</b>			
Property, plant and equipment	6	405,239	405,749
Investments - restricted	15, 18	68,868	61,393
Intangible assets	7	1,032	938
		<b>475,139</b>	<b>468,080</b>
<b>Non-current Liabilities</b>			
Interest-bearing loan	8	-	1,000
Employee benefits	5	438	419
		<b>438</b>	<b>1,419</b>
<b>Net Assets</b>		<b>475,790</b>	<b>468,777</b>
<b>Represented by Public Equity made up of:</b>			
<b>General Equity</b>		406,339	407,384
<b>Special Purposes Equity</b>	16	16,359	15,064
<b>Asset Replacement Reserve</b>	17	53,092	46,329
		<b>475,790</b>	<b>468,777</b>

For and on behalf of the Trust Board



Dr William Randall  
Trust Board Chairman

Roy Clare CBE  
Director

October 10, 2013

October 10, 2013

AUCKLAND MUSEUM TRUST BOARD  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2013 (GROUP & PARENT)

	GENERAL EQUITY	SPECIAL PURPOSES EQUITY \$000s	ASSET REPLACEMENT RESERVE \$000s	TOTAL EQUITY \$000s
<b>EQUITY 2013</b>				
<b>Opening Balance</b>	407,384	15,064	46,329	468,777
Transfer from Statement of Comprehensive Income	(72)	2,864	4,221	7,013
Transfer of depreciation levy	(8,357)	-	8,357	-
Transfer of capital expenditure	7,384	(1,569)	(5,815)	-
<b>Closing Balance 30 June 2013</b>	<b>406,339</b>	<b>16,359</b>	<b>53,092</b>	<b>475,790</b>
<b>EQUITY 2012</b>				
<b>Opening Balance</b>	410,232	16,006	38,704	464,942
Transfer from Statement of Comprehensive Income	608	1,041	2,186	3,835
Transfer of depreciation levy	(8,193)	-	8,193	-
Transfer of capital expenditure	4,737	(1,983)	(2,754)	-
<b>Closing Balance 30 June</b>	<b>407,384</b>	<b>15,064</b>	<b>46,329</b>	<b>468,777</b>

The levy received from the Auckland Council includes an amount to recompense depreciation in the museum's property, plant and equipment, the funds in respect of which are transferred from general equity to the asset replacement reserve. When expenditure is incurred on the replacement of the assets the funds are reclassified from the asset replacement reserve into general equity.



**AUCKLAND MUSEUM TRUST BOARD**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED**  
**JUNE 30, 2013 (GROUP & PARENT)**

	NOTE	ACTUAL 2013 \$000S	ACTUAL 2012 \$000S
<b>Cash Flows from Operating Activities</b>			
<b>Cash was provided from:</b>			
Levy from Auckland Council		26,641	25,617
Receipts from operations		5,259	4,956
Interest received		596	521
Dividends and bequests received		187	69
		<b>32,683</b>	<b>31,163</b>
<b>Cash was applied to:</b>			
Payments to suppliers		10,672	10,581
Payments to employees		12,329	11,509
Payments relating to special purposes		1,089	462
Interest paid		52	90
		<b>24,142</b>	<b>22,642</b>
<b>Net Cash Flow from Operating Activities</b>	<b>13</b>	<b>8,541</b>	<b>8,520</b>
<b>Cash Flows from Investing Activities</b>			
<b>Cash was provided from:</b>			
Proceeds from drawdown of investments		2,918	-
Proceeds from disposal of property, plant and equipment		28	18
		<b>2,946</b>	<b>18</b>
<b>Cash was applied to:</b>			
Purchase of investments		-	3,499
Purchase of property, plant and equipment and intangibles		6,737	3,816
		<b>6,737</b>	<b>7,315</b>
<b>Net Cash Flow used in Investing Activities</b>		<b>(3,791)</b>	<b>(7,298)</b>
<b>Cash Flows from Financing Activities</b>			
<b>Cash was applied to:</b>			
Repayment of Auckland Council carpark loan		-	1,000
<b>Net Cash Flow used in Financing Activities</b>		<b>-</b>	<b>(1,000)</b>
<b>Net Increase in Cash Held</b>		<b>4,750</b>	<b>222</b>
Opening cash balance		372	150
<b>Closing Cash Balance</b>		<b>5,122</b>	<b>372</b>
<b>Represented by:</b>			
Cash and bank		5,122	372
<b>Closing Cash Balance</b>		<b>5,122</b>	<b>372</b>

*This statement is prepared net of GST.*

*The accompanying notes and accounting policies form part of these financial statements.*

ACTUAL 2013 \$000s	ANNUAL PLAN 2013 \$000s	ACTUAL 2012 \$000s
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## 1. COSTS OF MAINTENANCE AND MANAGEMENT ACTIVITIES

Strong sustainable foundation	15,921	15,853	14,895
Accessible beyond the walls	1,391	1,963	1,137
Compelling destination & experience	3,563	4,496	4,022
Active participant in Auckland	3,044	3,695	2,846
Depreciation, amortisation and loss on disposals	8,478	8,357	8,105
<b>Total Maintenance and Management Costs</b>	<b>32,397</b>	<b>34,364</b>	<b>31,005</b>

### Development Costs

Collections and research	202	236	-
Communications and media	-	-	134
Corporate services	483	-	387
<b>Total development costs</b>	<b>685</b>	<b>236</b>	<b>521</b>
Interest expense	52	74	90
<b>Total Cost of Activation</b>	<b>33,134</b>	<b>34,674</b>	<b>31,616</b>

## 2. COMPONENTS OF NET SURPLUS FROM OPERATING ACTIVITIES

The net (deficit)/surplus includes the following:

### Revenue

Income from sale of goods	1,418	1,680	1,336
Fair value of volunteers' time	537	360	534
Rental income received	119	140	128

### Expenses

Employee benefits:

Salaries and wages	11,988	12,025	11,727
Termination payments	483	-	46
Defined contribution plans	217	174	167
<b>Total Employee Benefits</b>	<b>12,688</b>	<b>12,199</b>	<b>11,940</b>

Loss on disposal of fixed assets	812	1,200	1,071
Inventory consumption recognised	734	908	686
Fair value of volunteers' time	537	360	534
Trust Board fees and expenses	203	206	187
Auditor's fees - financial statements	61	45	43
Interest	52	74	90
Taumata-ā-Iwi fees and expenses	49	60	45
Inventory write-down costs	24	-	3
Operating lease expenses	22	18	19

Refer to notes 6 and 7 for depreciation and amortisation by class of assets.

### 3. FINANCIAL COMMENTARY

The museum's total revenues in 2013 was 5% short of the museum's Annual Plan target. Admissions revenue suffered due to lower international and school visits, and the increased number of international visitors not paying any donation. Commercial operations were below plan due to event hire, retail shops and cultural performance being below plan. Donations, sponsorship, event and other revenue is below plan due to sponsorship being below plan for the 2013 full year.

Due to the shortfall of revenue to plan, costs have been managed throughout the year so that the net surplus from operating activities was aligned with the Annual Plan, resulting in a net deficit from operating activities of \$72,000.

### 4. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of Trustees and other members of key management during the year were as follows:

	ACTUAL 2013 \$000s	ACTUAL 2012 \$000s
Short-term benefits	1,808	1,871
Termination payments	178	46
	<b>1,986</b>	<b>1,917</b>

Termination payments in 2013 reflect the reorganisation costs in the Executive, Learning and Engagement and Finance departments.

The remuneration of Trustees is determined by the Annual Plan approved by the Auckland Council via Regional Facilities Auckland Limited, as per the Auckland War Memorial Museum Act 1996.

Trust Board fees for the year were \$175,000 (plan \$181,000) and Taumata-ā-Iwi fees were \$48,000 (plan \$54,000)

Grouped below is the number of employees or former employees of the museum who received remuneration and other benefits in their capacity as employees, totaling \$100,000 or more, during the year:

Amount of Remuneration	Number of employees	
	2013	2012
\$100,000 – \$120,000	9	7
\$120,001 – \$140,000	6	3
\$140,001 – \$160,000	1	3
\$160,001 – \$180,000	3	3
\$180,001 – \$200,000	3	0
\$260,001 – \$280,000	0	1
\$320,001 – \$340,000	1	0
<b>Total</b>	<b>23</b>	<b>17</b>

## 5. EMPLOYEE BENEFITS

### Provisions Current

	ANNUAL LEAVE \$000s	LONG-SERVICE LEAVE \$000s	SICK LEAVE \$000s	TOTAL LEAVE \$000s
<b>Balance at 1 July 2011</b>	864	24	41	929
Utilised	(166)	-	(41)	(207)
Increase	306	13	63	382
<b>Employee Benefits - current 2012</b>	<b>1,004</b>	<b>37</b>	<b>63</b>	<b>1,104</b>
Utilised	(1,484)	(22)	(63)	(1,569)
Increase	1,649	4	41	1,694
<b>Employee Benefits - current 2013</b>	<b>1,169</b>	<b>19</b>	<b>41</b>	<b>1,229</b>

### Provisions Non-Current

	LONG-SERVICE LEAVE \$000s	RETIREMENT GRATUITY \$000s	TOTAL LEAVE \$000s
<b>Balance at 1 July 2011</b>	205	126	331
Increase	79	9	88
<b>Employee Benefits - non-current 2012</b>	<b>284</b>	<b>135</b>	<b>419</b>
Utilised	-	(7)	(7)
Increase	26	-	26
<b>Employee Benefits - non-current 2013</b>	<b>310</b>	<b>128</b>	<b>438</b>

### Expenses

<b>Total Employee Benefits 2012</b>	<b>1,523</b>
<b>Total Employee Benefits 2013</b>	<b>1,667</b>

**6. PROPERTY, PLANT  
AND EQUIPMENT**

	CAPITAL WIP \$000s	COLLECTION \$000s	BUILDINGS \$000s	DISPLAYS \$000s	EQUIPMENT \$000s	TOTAL \$000s
<b>Cost</b>						
<b>Balance at 1 July 2011</b>	<b>1,410</b>	<b>265,868</b>	<b>138,668</b>	<b>19,994</b>	<b>31,784</b>	<b>457,724</b>
Additions	825	803	661	230	1,532	4,051
Transfers	(943)	50	773	(726)	315	(531)
Disposals	(474)	-	(1,637)	-	(86)	(2,197)
<b>Balance at 1 July 2012</b>	<b>818</b>	<b>266,721</b>	<b>138,465</b>	<b>19,498</b>	<b>33,545</b>	<b>459,047</b>
Additions	680	754	1,113	3,300	1,705	7,551
Transfers	-	-	(3,447)	1,334	2,116	4
Disposals	-	-	(1,103)	(934)	(1,673)	(3,710)
<b>Balance at 30 June 2013</b>	<b>1,498</b>	<b>267,475</b>	<b>135,028</b>	<b>23,198</b>	<b>35,694</b>	<b>462,892</b>
<b>Accumulated depreciation</b>						
<b>Balance at 1 July 2011</b>	-	-	<b>16,192</b>	<b>18,116</b>	<b>13,281</b>	<b>47,589</b>
Depreciation expense	-	-	3,121	456	2,773	6,350
Transfers	-	-	280	(280)	-	-
Disposals	-	-	(579)	-	(62)	(641)
<b>Balance at 1 July 2012</b>	-	-	<b>19,014</b>	<b>18,292</b>	<b>15,992</b>	<b>53,298</b>
Depreciation expense	-	-	3,233	637	3,343	7,213
Transfers	-	-	(1,287)	636	654	3
Disposals	-	-	(286)	(938)	(1,636)	(2,860)
<b>Balance at 30 June 2013</b>	-	-	<b>20,674</b>	<b>18,626</b>	<b>18,353</b>	<b>57,653</b>
<b>Carrying value</b>						
<b>30 June 2013</b>	<b>1,498</b>	<b>267,475</b>	<b>114,354</b>	<b>4,572</b>	<b>17,341</b>	<b>405,239</b>
<b>Carrying value</b>						
<b>30 June 2012</b>	<b>818</b>	<b>266,721</b>	<b>119,451</b>	<b>1,206</b>	<b>17,553</b>	<b>405,749</b>

	ACTUAL 2013 \$000s	ACTUAL 2012 \$000s
<b>7. INTANGIBLE ASSETS</b>		
<b>Gross carrying amount</b>		
Balance at 1 July 2012	1,365	395
Additions	553	447
Transfers from WIP	(4)	531
Disposals	(184)	(8)
<b>Balance at 30 June 2013</b>	<b>1,729</b>	<b>1,365</b>
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2012	427	223
Amortisation expense	457	207
Transfers	(3)	-
Disposals	(184)	(3)
<b>Balance at 30 June</b>	<b>697</b>	<b>427</b>
<b>Carrying value 30 June 2013</b>	<b>1,032</b>	<b>938</b>

Intangible Assets represent the museum's investment in software and other design modules that are amortised over the life of the asset.

	ACTUAL 2013 \$000s	ACTUAL 2012 \$000s
<b>8. INTEREST-BEARING LOAN</b>		
Current Liability - payable within 12 months	1,000	-
Non-current Liability	-	1,000
<b>Balance as at 30 June 2013</b>	<b>1,000</b>	<b>1,000</b>

Unsecured loan is from Regional Facilities Auckland Limited, to fund the building of the carpark. Interest is fixed at 5.22% (2012 5.22%). It is intended that this loan will be repaid in the next twelve months.



## 9. COMMITMENTS UNDER NON-CANCELLABLE LEASES

The museum has no commitments under non-cancellable leases for 2013 (2012 nil).

### 9.1 LEASING ARRANGEMENTS:

Operating leases relate to the café area owned by the museum with a lease term of six years and one month from December 2012 to December 2018. The lease contract contains biennial rent reviews in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

<b>9.2 NON-CANCELLABLE OPERATING LEASE RECEIVABLES:</b>	<b>ACTUAL 2013 \$000s</b>	<b>ACTUAL 2012 \$000s</b>
Not later than one year	103	51
Later than one year and not later than five years	414	-
Later than five years	52	-
	<b>569</b>	<b>51</b>

<b>10. CAPITAL COMMITMENTS</b>	<b>ACTUAL 2013 \$000s</b>	<b>ACTUAL 2012 \$000s</b>
Equipment and projects	1,240	4,461
	<b>1,240</b>	<b>4,461</b>

## 11. CONTINGENT LIABILITIES

The museum has an obligation to pay a Fire Service levy to the NZ Fire Service Commission. Historically the levy was paid based on a lower valuation of the collections and the museum is currently in negotiation with the Fire Service Commission to determine what the correct indemnity value of the collections should be, for the period from September 2009 to March 2013, which will then be used to determine the shortfall of levy that the museum will be required to pay. The museum has currently accrued within "trade payables and accruals" for the expected amount of levy shortfall based on discussions with the Commission to date and legal advice.

It is also possible that the Commission may charge penalties and interest on the shortfall and the museum is still in negotiation with the Commission hence the outcome of this is uncertain.

There were no other contingent liabilities at June 30, 2013 (2012 nil).

## 12. CONTINGENT ASSETS

There were no contingent assets at June 30, 2013 (2012 nil).

**13. RECONCILIATION OF SURPLUS  
TO NET CASH FLOW FROM  
OPERATING ACTIVITIES**

	ACTUAL 2013 \$000s	ACTUAL 2012 \$000s
<b>Net Surplus</b>	<b>7,013</b>	<b>3,835</b>
<b>Add (Deduct) non-cash items:</b>		
Depreciation, amortisation & loss on disposal	8,478	8,105
Investment revaluations and reinvestments	(7,231)	(2,910)
Donation of heritage assets	(756)	(687)
	<b>491</b>	<b>4,508</b>
<b>Add (Deduct) movements in working capital:</b>		
Increase/decrease in accounts receivable	(250)	(179)
Increase/decrease in inventory	(10)	(63)
Increase/decrease in accounts payable	1,131	156
Movement in employee benefits	142	263
Inventory write down	24	-
	<b>1,037</b>	<b>177</b>
<b>Net cash flow from operating activities</b>	<b>8,541</b>	<b>8,520</b>

**14. SEGMENT INFORMATION**

The Auckland War Memorial Museum presents one segment as it is governed by the Auckland War Memorial Museum Act 1996 and operates primarily in the Auckland region with the purpose of providing the public with a war memorial and a museum.

**15. FINANCIAL INSTRUMENTS**

**Qualitative disclosures**

The museum is subject to a number of financial risks which arise as a result of its activities (i.e. exposure to credit, liquidity, currency and interest risk) in the normal course of business.

There have been no changes during the year to the museum's exposure to these risks, and the manner in which it manages and measures these risks.

**15.1 CATEGORIES OF FINANCIAL INSTRUMENTS**

	FAIR VALUE THROUGH PROFIT OR LOSS \$000s	LOAN AND RECEIVABLES \$000s	AT AMORTISED COST \$000s	TOTAL CARRYING AMOUNT \$000s	FAIR VALUE \$000s
<b>At 30 June 2013</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	5,122	-	5,122	5,122
Short-term investments - restricted	-	583	-	583	583
Trade receivables	-	219	-	219	219
Investments	68,868	-	-	68,868	68,868
	<b>68,868</b>	<b>5,924</b>	<b>-</b>	<b>74,792</b>	<b>74,792</b>
<b>Financial liabilities</b>					
Trade payables	-	-	4,279	4,279	4,279
Employee entitlements	-	-	1,667	1,667	1,667
Interest-bearing loan	-	-	1,000	1,000	1,000
			<b>6,946</b>	<b>6,946</b>	<b>6,946</b>
<b>Net</b>	<b>68,868</b>	<b>5,924</b>	<b>(6,946)</b>	<b>67,846</b>	<b>67,846</b>

**At 30 June 2012**

<b>Financial assets</b>					
Cash and cash equivalents	-	372	-	372	372
Short-term investments	-	3,745	-	3,745	3,745
Trade receivables	-	407	-	407	407
Investments	61,393	-	-	61,393	61,393
	<b>61,393</b>	<b>4,524</b>	<b>-</b>	<b>65,917</b>	<b>65,917</b>
<b>Financial liabilities</b>					
Trade payables and accruals	-	-	2,551	2,551	2,551
Employee entitlements	-	-	1,523	1,523	1,523
Interest-bearing loan	-	-	1,000	1,000	1,000
			<b>5,074</b>	<b>5,074</b>	<b>5,074</b>
<b>Net</b>	<b>61,393</b>	<b>4,524</b>	<b>(5,074)</b>	<b>60,843</b>	<b>60,843</b>

## 15.2 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Auckland War Memorial Museum Act 1996 (the Act) requires the museum to manage and account for its revenue, expenses, assets, liabilities, investments and financial dealings generally and in accordance with the relevant financial management principles and generally accepted accounting practice, whilst remaining a going concern. Museum capital is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The museum has a series of policies to manage the risks associated with financial instruments. The museum is risk averse and seeks to minimise exposure from its treasury activities through the diversification of its investments by investing largely in a portfolio comprising of Australasian equities, global equities, domestic fixed term interest and global fixed interest securities. The museum has established museum-approved financial management and investment policies. These provide a framework for the management of financial resources in an efficient and effective way.

The museum does not enter into or trade financial instruments, including derivative financial instruments for speculative purposes.

## 15.3 CREDIT RISK - TRADE RECEIVABLES

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the museum.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the museum's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The average credit period on sales of goods and rendering of services as at June 30, 2013 is 26 days (2012 54 days). No interest is charged on trade receivables. Included in the allowance for doubtful debts are individually impaired trade receivables. The impairment recognised represents the difference between the carrying amount of those trade receivables and the present value of the expected liquidation proceeds. The museum does not hold any collateral over these balances. As at June 30, 2013 the museum considers all outstanding debt recoverable, determined by reference to past experience and relationship with the debtors.

Before accepting a new customer, the museum assesses the potential customer's credit quality and defines credit limits by customer. The trade receivables are constantly reviewed throughout the month and limits are reviewed should the customer not meet the museum's credit requirements.

The museum has minimal exposure to a large volume of small-value trade receivables arising from group and school visits and venue hire. Credit checks are done on new customers and deposits obtained for venue hire. Prompt action is taken to collect overdue amounts. Bad debt write-offs in 2013 were \$nil (2012 \$nil). A doubtful debt provision is created when debtors become doubtful.

	ACTUAL 2012 \$000s	ACTUAL 2011 \$000s
Ageing of past due but not impaired trade receivables		
Current	145	317
30-60 days	44	20
60-120 days	12	70
<b>Total</b>	<b>201</b>	<b>407</b>

In determining the recoverability of trade receivables, the museum considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly the museum believes that there is no further credit provision required in excess of the allowance for doubtful debts.

#### 15.4 CREDIT RISK

Operating funds not immediately required are invested in accordance with the investment policy. Investments in NZ fixed interest and global fixed interest securities are managed for the museum by fund managers whose practice is to invest in high-grade debt and short-maturity credit securities.

Global fixed interest investment is invested with investors with a Standard and Poor's minimum credit rating of 'A-'. New Zealand fixed interest investments are invested with investors with a Standard and Poor's minimum credit rating of 'BBB-'. To reduce the credit exposure of the managed investments the museum has invested in diversified asset classes and within each of these classes there is a maximum limit that can be invested in any one institution or entity. Thus investments are placed across a portfolio of parties to minimise credit risk. There is no significant concentration of credit risk.

#### 15.5 LIQUIDITY RISK

Liquidity risk is the risk that the museum will encounter difficulty in raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management requires maintaining sufficient cash.

The museum manages liquidity risk by maintaining adequate funds on deposits, reserves and banking facilities by continually monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Regional Facilities Auckland Limited are expecting to receive the repayment of the loan in November 2013. Following communication between both parties however, repayment of the loan under original agreement is not due until November 2026.

The museum is able to meet its obligations from the levy from Auckland Council, and self-generated revenue.

## Liquidity Risk

The analysis below is based on undiscounted cash flows of financial liabilities:

	WEIGHTED AVERAGE INTEREST RATE	CONTRACTUAL CASH FLOW \$000s	LESS THAN 1 YEAR \$000s	2-5 YEARS \$000s	TOTALS \$000s
<b>30 June 2013</b>					
Trade and other payables		4,279	4,279	-	4,279
Employee benefits		1,667	1,229	438	1,667
Interest-bearing loan	5.22%	1,052	1,052	-	1,052
<b>Total</b>		<b>6,998</b>	<b>6,560</b>	<b>438</b>	<b>6,998</b>

The museum has the following  
liquid assets to meet its liabilities:

Cash and cash equivalents	2.82%	5,122	5,122	-	5,122
Short-term investments	4.51%	583	583	-	583
Receivables and other assets		875	875	-	875
		<b>6,580</b>	<b>6,580</b>	<b>-</b>	<b>6,580</b>

## 30 June 2012

Trade and other payables		2,551	2,551	-	2,551
Employee benefits		1,523	1,104	419	1,523
Interest-bearing loan	5.52%	1,104	52	1,052	1,104
<b>Total</b>		<b>5,178</b>	<b>3,707</b>	<b>1,471</b>	<b>5,178</b>

The museum has the following  
liquid assets to meet its liabilities:

Cash and cash equivalents	2.50%	372	372	-	372
Short-term investments	4.91%	3,745	3,745	-	3,745
Receivables and other assets	-	1,024	1,024	-	1,024
		<b>5,141</b>	<b>5,141</b>	<b>-</b>	<b>5,141</b>



## 15.6 CURRENCY RISK

Currency risk is the risk that the museum will suffer losses arising from significant movements in NZD currency in relation to other currencies, when paying for special exhibitions, other overseas purchases or when valuing global fixed interest securities.

The museum has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies arising from investing and exhibition activities. Foreign exchange risks on investment funds are hedged by the fund's manager as considered necessary. Forward exchange contracts are taken out to cover exhibition commitments. There was no exposure for exhibitions at June 30, 2013 (2012 nil).

Foreign exchange risks on global fixed interest securities are fully hedged while hedging of global equities ranges from 50% to 100%, as considered appropriate by the fund managers. As at June 30, 2013 overseas investment funds were hedged USD 64%, AUD 100% and EUR 62% (2012 AUD 79-100%, USD 50% and EUR 50%).

A variable of 10% was selected for price risk as this is a reasonably expected movement based on historic trends in equity values. A 10% basis point increase or decrease is used when reporting exchange rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in exchange rates. As at the balance sheet date the museum was exposed to the following foreign currencies:

	NZD \$000s	USD \$000s	EUR \$000s	AUD \$000s	TOTAL \$000s
Cash	5,122	-	-	-	5,122
Short-term Investments	583	-	-	-	583
Trade and Other Receivables	442	-	-	-	442
<b>Investments - split by:</b>					
Equities	12,080	19,104	8,165	-	39,349
Fixed Interest	24,442	3,255	-	-	27,697
Cash Deposits	1,486	205	131	-	1,822
Financial Liabilities	(6,946)	-	-	-	(6,946)
	<b>37,209</b>	<b>22,564</b>	<b>8,296</b>	<b>-</b>	<b>68,069</b>

As at June 30, 2013 if the currency on investments had fluctuated + or -10%, the surplus for the museum would have been \$1.010 million lower / higher (2012 \$1.044 million lower / higher). A 10% currency rate increase or decrease is used when reporting currency rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in currency rates.

#### 15.7 INTEREST RATE RISK

The museum is exposed to interest rate risk as it invests cash in short-term and long-term deposits at fixed interest rates. Refer to 15.1 for a summary by asset class.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Investments at fixed interest rates expose the museum to fair value interest rate risk.

The museum has potential exposure to interest rates on its short-term investments. These exposures are managed by investing in bank deposits maturing in less than 12 months. The range of interest rates is reported monthly.

As at June 30, 2013 if interest rates on cash and cash equivalents, and short-term investments had fluctuated + or -1%, the surplus for the museum would have been \$69,000 higher / lower (2012 \$46,000 higher / lower). A 1% interest rate increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

#### 15.8 OTHER PRICE RISK

The museum has potential exposure to changes in equity prices in its investments in Australasian equities and global equities. All equity investments present a risk of loss of capital often due to factors beyond the fund managers' control such as competition, regulatory changes, commodity price changes and changes in general economic climate domestically and internationally. The fund managers moderate this risk through careful investment selection and diversification, daily monitoring of the funds market position and adherence to the fund's investment policy. The maximum market risk resulting from financial instruments is determined by their fair value.

A variable of 10% was selected for price risk as this is a reasonably expected movement based on historic trends in equity indexes. A 10% increase or decrease is used when reporting equity index risk internally to key management personnel and represents management's assessment of the reasonably possible change in equity indexes. As at June 30, 2013 if the equity indexes had fluctuated + or -10%, the surplus for the museum would have been \$3.935 million higher / lower (2012 \$3.078 million higher / lower). A 10% market rate increase or decrease is used when reporting market rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in market rates.

#### 15.9 FAIR VALUES

The carrying value of cash and equivalents, short-term investments, receivables, payables and interest-bearing loans is equivalent to their fair value.

##### Classification and fair values

The fund managers manage the museum's investments and make purchase and sale decisions based on their fair value and in accordance with investment strategy. Financial assets at fair value through profit or loss are initially recognised at fair value. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in fair value of the 'financial assets at fair value through the profit or loss' category are presented in the statement of comprehensive income when they arise.

#### 15.10 FAIR VALUE MEASUREMENTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

Financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable.

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices. Financial assets in this category include managed funds. There are no financial liabilities in this category.

The museum has managed funds at fair value in level 1 as at June 30, 2013 of \$68.868 million (2012 \$61.393 million).

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between level 1 and 2 in the period.

There are no financial assets in level 2 and 3.

**16. SPECIAL PURPOSES  
EQUITY**

	BALANCE 2012 \$000s	GIFTS & BEQUESTS \$000s	INVESTMENT NET INCOME \$000s	OPERATING EXPENDITURE \$000s	CAPITAL EXPENDITURE \$000s	BALANCE 2012 \$000s
<b>Restricted Trusts &amp; Bequest Equity Trusts</b>						
Levingston Cooke Family Bequest	3,075	40	319	(241)	-	3,193
Edward Earle Vaile Trust Fund	1,175	-	122	(20)	-	1,277
The Waldo Heap Bequest	392	-	41	(60)	-	373
Life Members' Subscription Trust	102	-	11	(11)	-	102
Auckland Museum Endowment Act	62	-	6	-	-	68
Margaret Blythe reserve	60	-	6	-	-	66
AWMME&B Omnibus Trust	52	-	5	-	-	57
Others under \$15,000	69	5	7	-	-	81
<b>Restricted Gifts &amp; Bequests</b>						
Nancy Bamford bequest	756	-	78	(129)	-	705
Estate - Audrey Isabelle Maddox	-	142	-	-	-	142
Others under \$15,000	72	-	7	-	-	79
<b>Gifts &amp; Bequests subject to wishes</b>						
A G W Dunningham bequest	167	-	17	-	-	184
Memorial Hall donations	126	-	13	-	-	139
K Pritchard bequest	74	-	8	-	-	82
Len Coakley Trust Fund	15	-	2	25	-	42
C Whitney Trust	20	-	2	-	-	22
	<b>6,217</b>	<b>187</b>	<b>644</b>	<b>(436)</b>	<b>-</b>	<b>6,612</b>
<b>Special Purpose Reserves</b>						
Catherine E Tong reserve	20	-	2	32	-	54
Ko Tawa reserve	36	-	4	-	-	40
Exhibition reserve	672	-	70	-	-	742
Others under \$15,000	5	-	1	-	-	6
	<b>733</b>	<b>-</b>	<b>77</b>	<b>32</b>	<b>-</b>	<b>842</b>
<b>Special Purposes Reserves</b>	<b>6,950</b>	<b>187</b>	<b>721</b>	<b>(404)</b>	<b>-</b>	<b>7,454</b>
<b>Capital Reserves</b>						
Spedding reserve	4,731	-	490	(185)	-	5,036
Acquisitions reserve	367	756	38	-	(753)	408
Heritage Capital reserve	2,969	-	308	-	(816)	2,461
Carpark Loan reserve	47	-	953	-	-	1,000
	<b>8,114</b>	<b>756</b>	<b>1,789</b>	<b>(185)</b>	<b>(1,569)</b>	<b>8,905</b>
	<b>15,064</b>	<b>943</b>	<b>2,510</b>	<b>(589)</b>	<b>(1,569)</b>	<b>16,359</b>

The museum holds special purpose funds which are invested in financial assets. The assets are invested largely in a portfolio comprising Australasian equities, international equities, domestic fixed term interest and International fixed interest securities and are accounted for at fair value through profit and loss. Fair values of these types of financial assets fluctuate due to changes in market prices arising from currency risk, interest rate risk and other price risk.

Restricted investments have been provided to the museum for specific purposes determined by the donor and the museum is obligated to use the funds for these specific purposes.

**Nature and purpose of each reserve:**

**Restricted Trusts and Bequest Equity Trusts** - trusts and bequests subject to special restrictions.

**Restricted Gifts and Bequests** - gifts and bequests subject to special restrictions.

**Gifts and Bequests Subject to Wishes** - gifts and bequests for special purposes as per the wishes of the donors.

**Special Purpose Reserves** - specific reserves established to meet the ongoing and future needs of the museum.

**Capital Reserves** - specific reserves established to meet the long-term future capital needs of the museum as they become due.

	BALANCE 2011 \$000s	GIFTS & BEQUESTS \$000s	INVESTMENT NET INCOME \$000s	OPERATING EXPENDITURE \$000s	CAPTIAL EXPENDITURE \$000s	BALANCE 2012 \$000s
<b>Restricted Trusts and Bequest Equity Trusts</b>						
Levingston Cooke Family Bequest	3,090	56	143	(214)	-	3,075
Edward Earle Vaile Trust Fund	1,123	-	52	-	-	1,175
The Waldo Heap Bequest	424	-	20	(52)	-	392
Life Members' Subscription Trust	109	-	5	(12)	-	102
Auckland Museum Endowment Act	59	-	3	-	-	62
Margaret Blythe reserve	57	-	3	-	-	60
AWMME&B Omnibus Trust	50	-	2	-	-	52
Others under \$15,000	58	8	3	-	-	69
<b>Restricted Gifts &amp; Bequests</b>						
Nancy Bamford bequest	755	-	35	(34)	-	756
Others under \$15,000	69	-	3	-	-	72
<b>Gifts &amp; Bequests subject to wishes</b>						
A G W Dunningham bequest	159	-	8	-	-	167
Memorial Hall donations	121	-	5	-	-	126
K Pritchard bequest	71	-	3	-	-	74
Len Coakley Trust Fund	62	-	3	(50)	-	15
C Whitney Trust	19	-	1	-	-	20
	<b>6,226</b>	<b>64</b>	<b>289</b>	<b>(362)</b>	<b>-</b>	<b>6,217</b>
<b>Special Purpose Reserves</b>						
Catherine E Tong reserve	115	-	5	(100)	-	20
Ko Tawa reserve	34	-	2	-	-	36
Exhibition reserve	642	-	30	-	-	672
Others under \$15,000	-	5	-	-	-	5
	<b>791</b>	<b>5</b>	<b>37</b>	<b>(100)</b>	<b>-</b>	<b>733</b>
<b>Special Purposes Reserves</b>	<b>7,017</b>	<b>69</b>	<b>326</b>	<b>(462)</b>	<b>-</b>	<b>6,950</b>
<b>Capital Reserves</b>						
Spedding reserve	4,519	-	212	-	-	4,731
Acquisitions reserve	350	687	16	-	(686)	367
Heritage Capital reserve	3,120	-	146	-	(297)	2,969
Carpark Loan reserve	1,000	-	47	-	(1,000)	47
	<b>8,989</b>	<b>687</b>	<b>421</b>	<b>-</b>	<b>(1,983)</b>	<b>8,114</b>
<b>Total</b>	<b>16,006</b>	<b>756</b>	<b>747</b>	<b>(462)</b>	<b>(1,983)</b>	<b>15,064</b>

<b>17. ASSET REPLACEMENT RESERVE</b>	<b>OPENING BALANCE \$000s</b>	<b>LEVIES \$000s</b>	<b>INVESTMENT NET INCOME \$000s</b>	<b>OPERATING EXPENDITURE \$000s</b>	<b>CAPTIAL EXPENDITURE \$000s</b>	<b>CLOSING BALANCE \$000s</b>
Asset Replacement Reserve 2013	46,329	8,357	4,721	(500)	(5,815)	<b>53,092</b>
Asset Replacement Reserve 2012	38,704	8,193	2,186	-	(2,754)	<b>46,329</b>

The museum receives funding for asset replacement (including depreciation). The difference between the amount funded and the sum spent on capital expenditure each year is recorded within the asset replacement reserves. The museum is currently finalising its gallery, space and storage plans for the next 15-25 years. Considerable progress has been made in the last year in the development of the *Future Museum* plan and a capital project team has been established to carry out this work. Expenditure over the next few years will see the asset replacement reserve balance reduce considerably.

	<b>ACTUAL 2013 \$000s</b>	<b>ACTUAL 2012 \$000s</b>
<b>18. INVESTMENTS RESTRICTED</b>		
<b>Balance as at 30 June:</b>		
Short-term investments - restricted	583	-
Investments - restricted	68,868	61,393
	<b>69,451</b>	<b>61,393</b>
<b>Represents:</b>		
Special Purposes Equity	16,359	15,064
Asset Replacement Reserve	53,092	46,329
	<b>69,451</b>	<b>61,393</b>

These funds have been set aside by the museum for specific purposes, or have been gifted to the museum for use of a specific purpose. Refer to note 16 for the nature and purpose of each trust and bequest and reserve.



## 19. RELATED PARTIES

Related parties are those entities that have some control, joint control or some influence on the governance and/or activities of the museum.

Related parties include the Trust Board, the Taumata-ā-Iwi, the Director, the key management personnel, Regional Facilities Auckland Limited, Auckland Council, and Museum Institute.

Regional Facilities Auckland Limited is a statutory body which appoints five members to the Auckland Museum Trust Board and approves the museum's annual plans and annual reports, as referred to in the Auckland War Memorial Museum Act 1996, on behalf of the Auckland Council who is presently responsible for paying the annual levy. Financial transactions with Auckland Council include payment of rates, interest and sundry charges 2013 \$0.377 million (2012 \$1.614 million charge). In 2013 the museum received levy of \$26.641 million (2012 \$25.617 million) and a credit of \$0.904 million from Auckland Council in relation to the over-payment of rates in the previous years. No sums have been written off or provisions made during the year or at year end 2013 (2012 nil).

The Museum Institute is the learned society and membership body, as referred to in the Auckland War Memorial Museum Act 1996. The Museum Institute appoints four members of the Auckland Museum Trust Board, and supports the museum in its objectives and functions as specified in the Act. Financial transactions with the Museum Institute include distribution to the Museum Institute of the life members fund 2013 \$10,770 (2012 \$11,400), and reimbursement of charges processed on behalf of the Museum Institute and contributions towards museum activities and projects 2013 \$12,814 (2012 \$47,231). As at June 30, 2013 the Museum Institute owed to the museum \$3,686 (2012 \$7,586). There is no security for this debt. No sums have been written off or provisions made during the year or at year end 2013 (2012 nil).

The remuneration of key management personnel including Board members is disclosed in note 4.

## 20. SUBSIDIARY COMPANY

Auckland Museum Enterprises Limited was incorporated on April 15, 2013. The common directorship enabled significant control over Auckland Museum Enterprises Limited and is wholly owned by the Trust Board. It is needed to hold registration as the developer of certain intellectual property rights. No capital has been subscribed nor have transactions been processed through this company in the period from its incorporation to June 30, 2013. There have been no transactions processed through this entity during the year ended June 30, 2013.

## 21. POST BALANCE DATE EVENTS

There are no matters arising since June 30, 2013 that would materially affect the museum's statement of financial position and statement of comprehensive income as at June 30, 2013.

## **INDEPENDENT AUDITOR'S REPORT TO THE AUCKLAND MUSEUM TRUST BOARD**

### **Report on the Financial Statements**

We have audited the financial statements of Auckland Museum Trust Board on pages 51 to 81, which comprise the statement of financial position as at 30 June 2013 statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Auckland Museum Trust Board, as a body, in accordance with Section 28 of the Auckland War Memorial Museum Act 1996. Our audit has been undertaken so that we might state to the Auckland Museum Trust Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Auckland Museum Trust Board, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Auckland Museum Trust Board's Responsibility for the Financial Statements**

The Auckland Museum Trust Board is responsible for the preparation and fair presentation of financial statements, in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Auckland Museum Trust Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Auckland Museum Trust Board responsibilities arise from the Auckland War Memorial Museum Act 1996.

### **Auditor's Responsibilities**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we have no relationship with or interests in the Auckland Museum Trust Board.

### **Opinion**

In our opinion, the financial statements on pages 51 to 81 present fairly, in all material respects, the financial position of the Auckland Museum Trust Board as at 30 June 2013, and its financial performance and cash flows for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.



**Chartered Accountants**  
10 October 2013  
Auckland, New Zealand

This audit report relates to the financial statements of the Auckland Museum Trust Board for the year ended 30 June 2013 included on The Auckland War Memorial Museum website. The Auckland Museum Trust Board is responsible for the maintenance and integrity of The Auckland War Memorial Museum website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 10 October 2013 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Annual Report 2012/2013 Financial Commentary

This year the Auckland Museum recorded a small Operating deficit. Revenue for the year was \$33.062 million including the levy from Auckland Council. Self-generated operating revenue of \$6.421 million, was below plan, driven largely by difficult economic conditions and lower international visitation.

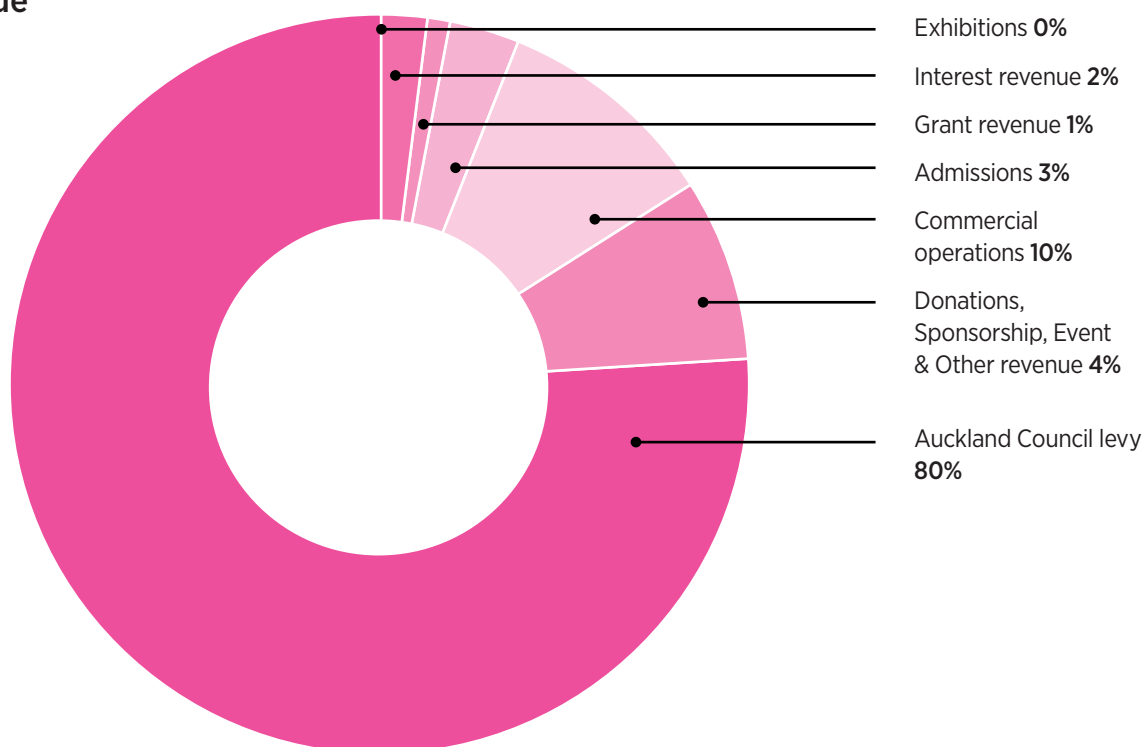
The museum has continued with its sustainability initiatives and cost savings, maximising revenue where ever possible. By ensuring maximum value has been obtained from all expenditure, the museum has recorded an Operating deficit of \$72,000 (plan surplus \$100,000).

In addition a Special Purposes surplus of \$7.085 million was earned (last year \$3.227 million). This surplus primarily comprises the excess of income from the investment of the museum's trusts and bequests and reserves over the amounts of those funds applied for their intended purposes. The 2013 Special Purposes surplus includes donated collection objects of \$505,938, Disney Art Trust donation of \$250,000 and other Trust and Bequest donations of \$186,816.

The most significant reserve is the Asset Replacement Reserve. This is restricted to provide funding for the museum's capital assets as they need to be replaced. As funding to this reserve is based on historical costs, this reserve is invested and the return on that investment helps us fund the asset replacement cost that has increased due to inflation. Investment earnings excelled this year, provided a net return of almost 11% (5% in 2012), in line with financial market trends.

Museum total revenue is from the following sources:

## 2013 Revenue

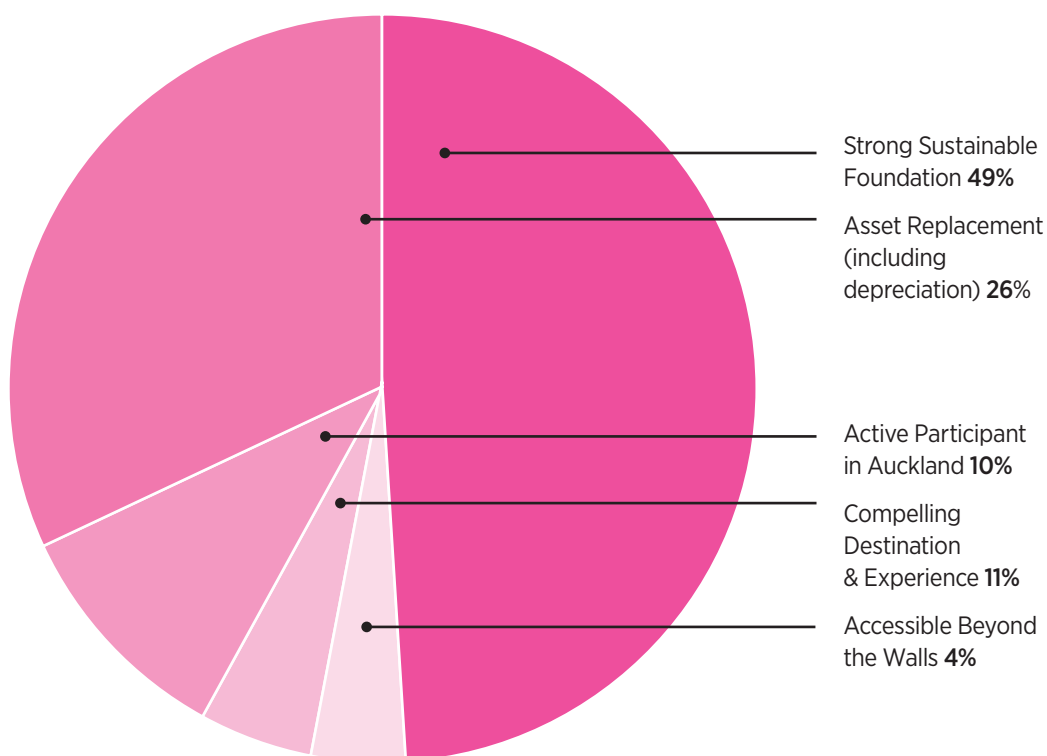


Considerable effort and commitment has seen a significant reduction of the museum's energy costs and carbon footprint the past eighteen months. The museum is on target to achieve 30% energy savings by the end of 2013. In the last year the museum also reduced its carbon footprint by 12.1% and this will continue to shrink as more energy savings are realised and when the impact of the museum's recycling programme takes full effect.

Spending throughout the museum was contained in the year in order to ensure the net surplus from operating activities remained in line with the surplus projected in the Annual Plan.

The museum's total cost by activity is:

## 2013 Costs



Significant differences to plan that contributed to the 2012-2013 result include:

- Special Exhibitions revenue was \$60,000, less than the projection of \$225,000. The plan included an admissions fee for the *Wildlife CAMERA* exhibition, which the museum decided to make free for all visitors.
- Interest revenue was \$596,000 (last year \$498,000) short of plan due to reduced term deposit interest rates.
- Donations, Sponsorship, Public Event and other revenue was \$443,000 below plan, mainly as a result of reduced sponsorship being secured.
- Admission revenue at \$860,000 was short of plan due to reduced international visitation.
- Commercial revenue was below plan by \$685,000 and at similar levels as the last year. The planned growth in the commercial event businesses and retail shop suffered because of the general recession.
- Total expenses were \$1.540 million below plan reflecting expenditure reductions in line with the revenue generated.
- Special Purposes revenue includes the increase in value of the investments managed by external managers, heritage assets donated recognised at their fair value, together with donations and interest.

